



# Wellard

## ASX Announcement

TOTAL PAGE/S: 2

19 June 2022

### M/V Ocean Ute & M/V Ocean Drover charter and repurchase extensions

Wellard (**ASX:WLD**) and ship financiers Ruchira Ships Limited (“Ruchira”), the owners of the M/V Ocean Ute and M/V Ocean Drover, have agreed to further extensions to the Bareboat Charter (BBC) arrangements for both vessels.

Wellard’s BBC for the M/V Ocean Ute will be extended until 29 July 2032, and the BBC for the M/V Ocean Drover will be extended until 30 June 2032. Consideration payable by Wellard for these extensions will be a total of US\$2,846,315. All payments due under the previous BBC’s will be cancelled and no further payments will be made under those agreements.

The parties have also agreed to extend (from 30 June 2022<sup>1</sup>) the time for repurchase of the M/V Ocean Ute until 29 July 2022, and for the M/V Ocean Drover until 30 June 2023, under agreed amendments to their respective Memorandums of Agreement to Purchase (MOAs). Whenever the vessels are repurchased, their respective BBC’s will extinguish.

The extended repurchase timeframes allow Ruchira time to fulfill various administrative and banking obligations.

Prior to these revised arrangements, Wellard’s rights to access and operate these ships, via bareboat charter agreements, ran until 25 January 2023 (for the M/V Ocean Ute), and to 16 December 2022 (for the M/V Ocean Drover). Unless the ships are repurchased earlier, these rights now extend for the extended periods under the new BBCs.

Wellard retains the obligations to insure, maintain and repair the vessels.

Ruchira has the right to re-sell the vessels to Wellard at no further cost by issue of a 30-day notice at any time during their respective extended MOA periods.

The parties have executed a letter agreement to record their agreement on the extensions. The final variation agreements are expected to be executed within 21 days.

---

<sup>1</sup> Wellard previously announced that it would repurchase the vessels on 30 June 2022 - see *Wellard’s Interim Financial Report for 31 December 2021, Financial Review section, p.4* (released to ASX 22 Feb 2022).

---

The M/V Ocean Drover is currently en-route from Uruguay to North Asia with a consignment of breeding cattle. The M/V Ocean Ute is transiting to the same destination with breeding cattle from New Zealand.

**For further information:**

**Company**

Executive Chairman  
John Klepec  
Phone: + 61 8 9432 2800

**Media**

FTI Consulting, Cameron Morse / Steve  
Suleski  
Phone: + 61 8 9485 8888  
Mobile: + 61 (0) 433 886 871 / 61 (0) 419  
912 534