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Wellard

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US\$250 MILLION INVESTMENT IN TWO NEW LIVESTOCK VESSELS ANNOUNCED

Italy-based Siba Ships, the world's leading maritime livestock transporting company, and Wellard Rural Exports have announced a US\$250 million order for two, new, state of the art, livestock carriers.

The vessels will be built at the Uljanik shipyard in Croatia, which built the flagship of Siba Ships' livestock fleet, the MV Becrux in 2002.

The new vessels will each carry 17,000 cattle or 75,000 sheep in comfort and security. Aimed at the thriving Australian livestock export trade, the vessels will enter service in 2011.

Siba Ships' investment in the new vessels is in addition to its previously announced US\$80m investment in two smaller livestock carriers, the first of which is due to be launched in late 2008 or early 2009.

Siba Ships Chairman Mauro Balzarini said the MV Becrux was the world's first new construction large livestock carrier, and set the benchmark for animal welfare standards.

"After almost 80 successful voyages we now know that we can deliver livestock to their destinations happier, healthier and heavier than when they boarded," he said.

The two new ships will boast a similar design to the MV Becrux, with the addition of modifications to improve operating efficiency and animal welfare.

"In total we have invested over \$330m in new livestock vessels. That benefits the animals, the producers, the shippers and the receivers, and we see significant and increasing demand for this standard of livestock carriage, which exceeds governmental standards and is totally focussed on animal welfare," Mr Balzarini said.

"Using these vessels we know that the animals will arrive in better condition than when they boarded, which makes both welfare and commercial good sense."

The new vessels will be 180 metres long, nine decks high and will boast stronger ventilation and better air and fodder distribution systems, higher redundancy in livestock services and will be more environmentally friendly. Built to RINA class they will have Green Star voluntary environment certification and also Green Passport.

Electronic control of the main engine will deliver significantly lower emissions than current vessels of comparable power, and they will deliver a service speed of 19.8 knots, cutting voyage time considerably.

Wellard Rural Exports is Australia's largest livestock exporter and has priority access to the two new vessels.

Wellard Rural Exports Managing Director Steve Meerwald said the new vessels would provide extra shipping capacity and would raise the benchmark again for on-board, animal welfare standards.

"Just as Australia's livestock industry relies on the live export trade, the live export industry relies on the fast, technologically advanced vessels to ensure their stock arrive at their destination fit and healthy," he said.

"These new vessels will benefit every participant throughout the live export chain. A quarter of a billion dollars isn't just a big investment in shipping tonnage, it's a big investment in the future of the Australian livestock industry."

New ship facts

Capacity: 75,000 sheep or 17,000 cattle, or a combination of both

Deck space: 2.4 hectares

Fresh water generation: 900 tonnes per day

Fodder capacity: 5000 tonnes

Minimum mechanical air changes per hour: 70

Speed: 20 knots

Length: 180 metres

Height: 9 decks

Visit www.wellardgroup.com.au to view a webcast announcing the construction of the two new vessels.

For photos of the Becrux, Mauro Balzarini or a graphic of the new ships, contact Cameron Morse at cmorse@wa.porternovelli.com.au or 0433 88 68 71

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Background – Wellard Rural Exports

Wellard Rural Exports is Australia's largest livestock exporter. It has supplied quality Australian dairy and beef cattle and sheep and goats to the world for more almost 30 years. Based in Fremantle, the company's operations cover every aspect of the export chain, including feed and high fibre milling, road transport, feedlot facilities and modern shipping.

Wellard has priority access to the most modern fleet of livestock carriers on the ocean through its association with Siba Ships. The company's flagship carrier, the MV Becrux, is a purpose-built livestock carrier capable of carrying 75,000 sheep or 18,000 cattle from Australia to major markets around the globe. She was commissioned in 2002.

For more information visit: www.wellardgroup.com.au

Background – Siba Ships

SIBA currently operates three livestock carriers, one tanker and fourteen Panamax, Kamsarmax and handy bulkers and has a further 15 bulk newbuildings for delivery between now and 2011. These include post Panamax, Kamsarmax, and handy size tonnage either owned or on long term charter.

Siba Ships is the Italian shipowning arm of the Balzarini group which specialises in the trading and transportation of livestock. For more than forty years the company has transported livestock, mainly from Australia to the Middle East, South East Asia and South America.

Siba Ships also operates a growing fleet of bulk carriers, a product tanker and a mining resources fund, and is expanding into other areas of shipping.

For more information on Siba Ships and its fleet, please visit www.sibaships.com