



ASX Announcement

31 October 2017

WELLARD ANNOUNCES FIRST SHIPMENT OF BEEF CATTLE TO CHINA

Wellard Limited (ASX:WLD) is pleased to announce that the Company's first shipment of beef steers from Australia to China departed from Portland, Victoria, today.

Approximately 2000 cattle were loaded for the voyage to Shidao in the Chinese Province of Shandong.

The cattle are being supplied to Rongcheng HCMH Trade and Service Co., Ltd, a subsidiary of Tai Xiang Group, which is an established Chinese company specialising in frozen and processed food.

The 2000 Angus and Angus-cross cattle were sourced from Victoria and South Australia.

Wellard Executive Director – Operations Fred Troncone said: "We have been very careful to make sure that our first shipment is managed professionally with quality cattle.

"We want to make this trial shipment an absolute success so that we can develop a more regular trade, grow our cattle exports to China and increase our vessel utilisation. A more regular trade will also send a strong signal to cattle producers that there will be enduring demand for their quality livestock."

The cattle will be quarantined and then processed in a purpose-built facility which has been Exporter Supply Chain Assurance Scheme (ESCAS) accredited.

Wellard has been a long-term supplier to China, supplying dairy and beef breeder cattle as well as airfreighting breeding sheep. This shipment is the first shipment of cattle for processing.

Wellard China General Manager Bernie Brosnan said that in addition to the price competition Wellard provided for cattle producers, services providers including stock agents, truck operators, veterinarians, stockmen and women, tug boat crews, wharf workers, accommodation and food suppliers, and all their suppliers, would benefit from the shipment.

"There is a vast support network that has made the aggregation of cattle for our first shipment to China so successful and they each deserve credit for their role," he said.

Mr Troncone said smaller shipments would dominate the initial live cattle trade between the two countries in the short term, but it had the capacity to increase significantly as the commercial landscape rebalanced.

Mr Troncone paid tribute to the Australian Government for establishing the trade between China and Australia.

“This shipment of cattle to China is a product of the Australia China Free Trade Agreement and the negotiation of health protocols between the two countries which took years to negotiate,” he said. “Both Governments should be congratulated on their foresight and willingness to open trade between the two countries.”

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Background – Wellard

Wellard is Australia’s largest cattle exporter and a vertically integrated agribusiness.

Wellard has supplied quality dairy and beef cattle, sheep and goats to the world for more than 30 years. Based in Fremantle, Western Australia, the company’s operations span the world and cover every aspect of the livestock export chain, including livestock selection and aggregation, pre-export quarantine facilities, feed milling, and a modern fleet of specialized “floating farm livestock carriers”.

Wellard is also involved in the meat trade and owns and operates a modern abattoir in Western Australia, Beaufort River Meats, which processes up to 2,500 sheep and lambs a day, enabling Wellard to meet customer demand for both livestock and chilled meat.

Visit www.wellard.com.au