



## PRESS RELEASE NO. 3/2019

Place: Oslo, Norway

Date: 24 June 2019

### **Awilco LNG ASA – Vessel and contract update**

With reference to press release no. 2/2019 and stock exchange announcement 3 June 2019, WilForce (the Vessel) is currently at yard in Singapore for repairs following a collision which caused only hull damage and no harm to life or environment. Repairs are progressing as planned and are expected completed by end-August / early September. Cost of repairs are covered by insurance.

At the time of being struck by the other vessel, the WilForce was employed on a 9-12 month time charter contract which commenced in September 2018 as announced 5 July 2018. The Charterer has today notified Awilco LNG of its decision to cancel the remaining period of the time charter contract due to the prolonged off-hire period required to repair the Vessel. This is a right the Charterer has in accordance with the Charter Party Terms. The Vessel has loss of hire insurance in line with market rate levels which compensates for most of the lost time charter hire.

To reiterate, based on a preliminary assessment of facts Awilco LNG holds the other vessel fully and completely liable for the collision, and the Company expects to recover all costs and expenses, including insurance deductibles, off-hire and lost time charter hire in due course.

The WilForce is expected to be available for new chartering opportunities ahead of the seasonally stronger Northern Hemisphere winter period. The Company sees the chartering market tightening in Q4 2019 on the back of newbuilding deliveries tapering off in the second half of 2019 coupled with most of the new LNG production capacity scheduled for start up in 2019 being commissioned in the second half of the year and of course increased demand ahead of winter. This view is already supported by the current soft rates in the prompt compared to higher rates obtainable for contracts starting in Q4.

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