



SALT Q2 2016 Earnings Press Release - Supplemental Information

July 27, 2016



# Safe Harbor Statement

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This document may contain forward-looking statements that reflects management's expectations for the future. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intend," "estimate," "forecast," "project," "plan," "potential," "may," "should," "expect," "pending" and similar expressions identify forward-looking statements.

The forward-looking statements in this document are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, our management's examination of historical operating trends, data contained in our records and other data available from third parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include the failure of counterparties to fully perform their contracts with us, the strength of world economies and currencies, general market conditions, including fluctuations in charter rates and vessel values, changes in demand for dry bulk vessel capacity, changes in our operating expenses, including bunker prices, drydocking and insurance costs, the market for our vessels, availability of financing and refinancing, charter counterparty performance, ability to obtain financing and comply with covenants in such financing arrangements, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessels breakdowns and instances of off-hires and other factors. Please see our filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties.



## Corporate and Financial Highlights

<b>Q2 2016 Financial Results</b>	<ul style="list-style-type: none"><li>• GAAP Net Loss of \$24.7 million / Loss per Share of (\$0.48)</li></ul>
<b>Fleet Development</b>	<ul style="list-style-type: none"><li>• 3 Ultramax vessels were delivered in Q2 2016</li><li>• 2 Ultramax vessels were delivered between July 1 and July 22, 2016</li><li>• 1 time chartered-in vessel redelivered in Q2 2016</li></ul>
<b>Equity Raise and Fleet Financing</b>	<ul style="list-style-type: none"><li>• Raised net proceeds of \$67.5 million through the issuance of 23 million shares of common stock</li><li>• Agreed with its lenders to amend debt covenants:<ul style="list-style-type: none"><li>• Interest coverage ratio will not be applicable until Q1 2018, at which point it will be 1:1. Effective Q3 2018, it increases to 2.5:1</li><li>• VTL Ratio reduced to 140% in all facilities but the \$67.5 Million Credit Facility, where it was reduced to 115%</li><li>• Certain non-operating items are excluded from definitions within the leverage ratio and consolidated net worth covenants</li></ul></li></ul>

## Daily Costs in Q2 2016

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- ❑ Opex is \$4,750 per day
- ❑ Cash G&A is \$1,272 per day
- ❑ Cash Interest Costs are \$1,656 per day
- ❑ **Opex + Cash G&A + Interest is \$7,679 per day**

## Enhanced Liquidity and Capital Structure

Liquidity position as of July 22, 2016	US\$m
<b>Cash Position</b>	<b>229.3</b>
Remaining Capex Newbuilding Program	(191.2)
Remaining Available Debt	129.6
<b>Pro-forma Liquidity Position</b>	<b>167.7</b>

## Collateral Maintenance Ratio – VTL Analysis

- We are in compliance with all Value-to-Loan covenants for all our loans

Credit Facility	# of delivered vessels	June 2016		
		<u>VTL Ratio</u>	<u>VTL Test</u>	<u>Compliance</u>
Loan Facility # 1	16	160%	140%	PASS
Loan Facility # 2	10	160%	140%	PASS
Loan Facility # 3	4	174%	115%	PASS
Loan Facility # 4	3	159%	140%	PASS
Loan Facility # 5	2	215%	140%	PASS
Loan Facility # 6	2	177%	140%	PASS
Loan Facility # 7	1	185%	140%	PASS
Total	38			

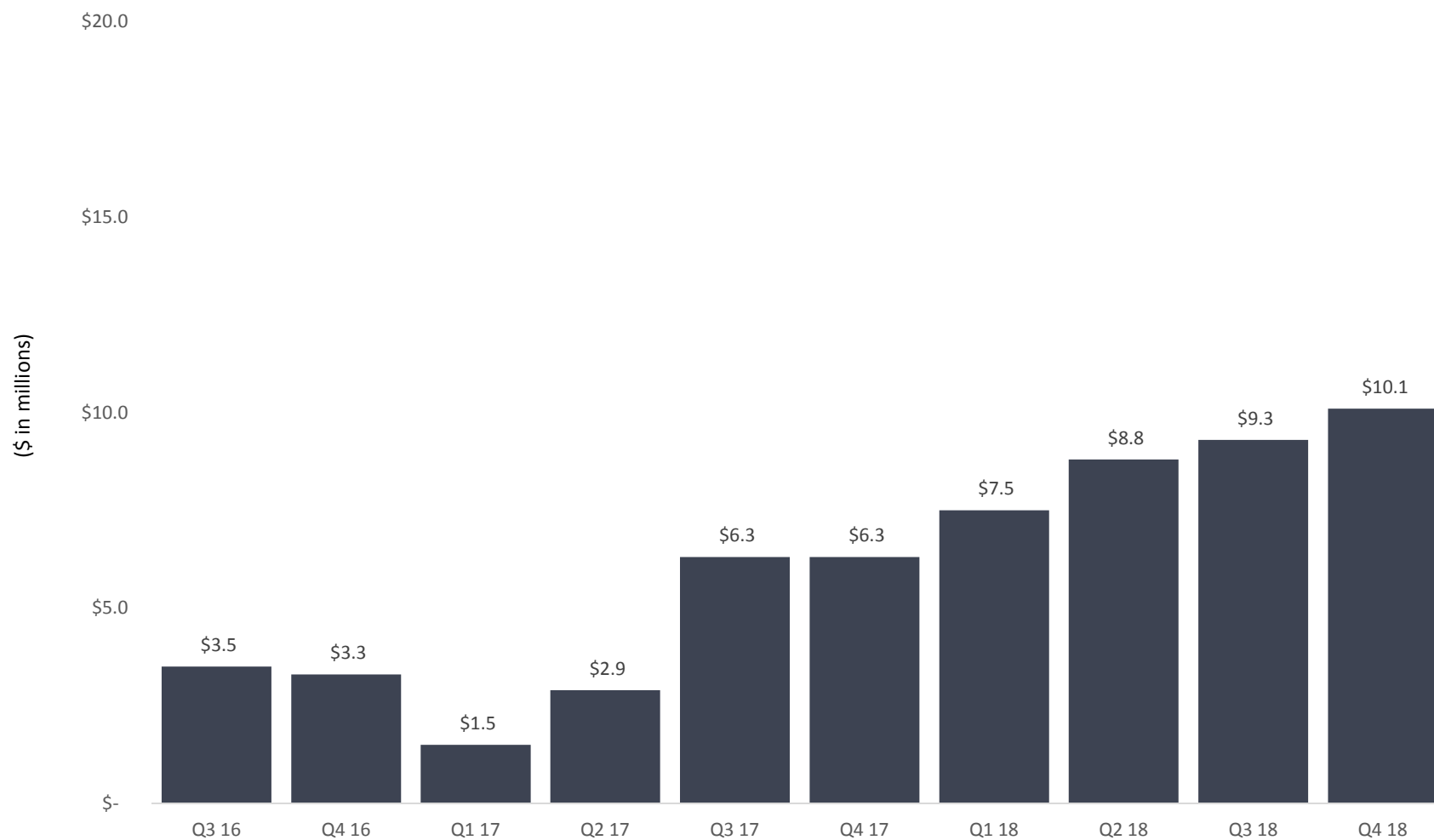
(1) Based on average broker vessels values as of June 30, 2016. Includes 2 vessels delivered July 1-22, 2016



## Outstanding and Available Debt

(\$000's)	June 30, 2016	July 22, 2016	
	Amount Outstanding	Amount Outstanding	Amount Available
Senior Notes	\$ 73,625	\$ 73,625	\$ --
Bank Loans:			
\$39.6 Million Credit Facility	22,059	22,059	--
\$409 Million Credit Facility	130,696	130,696	66,000
\$330 Million Credit Facility	201,584	201,584	63,600
\$42 Million Credit Facility	43,465	43,465	--
\$67.5 Million Credit Facility	35,684	46,476	--
\$411.3 Million Credit Facility	--	--	--
\$12.5 Million Credit Facility	11,358	11,358	--
\$27.3 Million Credit Facility	20,925	20,925	--
<b>Total</b>	<b>\$ 539,396</b>	<b>\$ 550,188</b>	<b>\$ 129,600</b>

# Projected Principal Repayment Schedule 2H 2016 - 2018





# Fleet List as of July 22, 2016

Ultramax Newbuildings			
#	Name	Year	Yard
1	SBI Athena	Q1-15	Chengxi
2	SBI Bravo	Q1-15	Nacks
3	SBI Antares	Q1-15	Nacks
4	SBI Leo	Q1-15	Dacks
5	SBI Echo	Q3-15	Imabari
6	SBI Lyra	Q3-15	Dacks
7	SBI Subaru	Q3-15	Dacks
8	SBI Tango	Q3-15	Imabari
9	SBI Maia	Q3-15	Nacks
10	SBI Hydra	Q3-15	Nacks
11	SBI Pegasus	Q3-15	Chengxi
12	SBI Ursa	Q4-15	Dacks
13	SBI Thalia	Q4-15	Chengxi
14	SBI Cronos	Q4-15	Imabari
15	SBI Orion	Q4-15	Chengxi
16	SBI Achilles	Q1-16	Imabari
17	SBI Hercules	Q1-16	Chengxi
18	SBI Perseus	Q1-16	Chengxi
19	SBI Hermes	Q1-16	Imabari
20	SBI Zeus	Q2-16	Mitsui
21	SBI Hera	Q2-16	Mitsui
22	SBI Hyperion	Q2-16	Nacks
23	SBI Tethys	Q3-16	Nacks
24	SBI Phoebe	Q3-16	Chengxi
25	SBI Poseidon	Q3-16	Mitsui
26	SBI Apollo	Q4-16	Mitsui
27	SBI Samson	Q4-16	Chengxi
28	SBI Phoenix	Q4-16	Chengxi

**Vessel size 60,200-64,000 DWT**

Kamsarmax Newbuildings			
#	Name	Year	Yard
1	SBI Cakewalk	Q3-14	SWS
2	SBI Charleston	Q3-14	SWS
3	SBI Samba	Q1-15	Imabari
4	SBI Rumba	Q3-15	Imabari
5	SBI Capoeira	Q3-15	Hudong
6	SBI Electra	Q3-15	Yangzijiang
7	SBI Carioca	Q4-15	Hudong
8	SBI Conga	Q4-15	Hudong
9	SBI Flamenco	Q4-15	Hudong
10	SBI Bolero	Q4-15	Hudong
11	SBI Sousta	Q1-16	Yangzijiang
12	SBI Rock	Q1-16	Yangzijiang
13	SBI Lambada	Q1-16	Hudong
14	SBI Reggae	Q1-16	Hudong
15	SBI Zumba	Q3-16	Hudong
16	SBI Macarena	Q4-16	Hudong
17	SBI Parapara	Q4-16	Hudong
18	SBI Mazurka	Q4-16	Hudong
19	SBI Swing	Q1-17	Hudong
20	SBI Jive	Q2-17	Hudong

Delivered Vessels

Vessels to be delivered

**Vessel size 82,000-84,000 DWT**



# Fully Financed Fleet

## \$330 Million Credit Facility

Name	Yard	Type
SBI Pegasus	Chengxi	Ultramax
SBI Orion	Chengxi	Ultramax
SBI Hercules	Chengxi	Ultramax
SBI Samson	Chengxi	Ultramax
SBI Phoenix	Chengxi	Ultramax
SBI Leo	Dacks	Ultramax
SBI Lyra	Dacks	Ultramax
SBI Subaru	Dacks	Ultramax
SBI Ursa	Dacks	Ultramax
SBI Bravo	Nacks	Ultramax
SBI Antares	Nacks	Ultramax
SBI Maia	Nacks	Ultramax
SBI Hydra	Nacks	Ultramax
SBI Hyperion	Nacks	Ultramax
SBI Tethys	Nacks	Ultramax
SBI Capoeira	Hudong	Kamsarmax
SBI Carioca	Hudong	Kamsarmax
SBI Lambada	Hudong	Kamsarmax
SBI Macarena	Hudong	Kamsarmax
SBI Swing	Hudong	Kamsarmax
SBI Jive	Hudong	Kamsarmax

## \$42 Million Credit Facility

Name	Yard	Type
SBI Tango	Imabari	Ultramax
SBI Samba	Imabari	Kamsarmax
SBI Rumba	Imabari	Kamsarmax

## \$39.6 Million Credit Facility

Name	Yard	Type
SBI Cakewalk	SWS	Kamsarmax
SBI Charleston	SWS	Kamsarmax

## \$409 Million Credit Facility

Name	Yard	Type
SBI Athena	Chengxi	Ultramax
SBI Thalia	Chengxi	Ultramax
SBI Echo	Imabari	Ultramax
SBI Hera	Mitsui	Ultramax
SBI Zeus	Mitsui	Ultramax
SBI Poseidon	Mitsui	Ultramax
SBI Apollo	Mitsui	Ultramax
SBI Conga	Hudong	Kamsarmax
SBI Bolero	Hudong	Kamsarmax
SBI Sousta	Hudong	Kamsarmax
SBI Reggae	Hudong	Kamsarmax
SBI Zumba	Hudong	Kamsarmax
SBI Parapara	Hudong	Kamsarmax
SBI Mazurka	Hudong	Kamsarmax
SBI Rock	Yangzijiang	Kamsarmax

## \$67.5 Million Credit Facility

Name	Yard	Type
SBI Perseus	Chengxi	Ultramax
SBI Phoebe	Chengxi	Ultramax
SBI Electra	Yangzijiang	Kamsarmax
SBI Flamenco	Yangzijiang	Kamsarmax

## \$27.3 Million Credit Facility

Name	Yard	Type
SBI Achilles	Imabari	Ultramax
SBI Hermes	Imabari	Ultramax

## \$12.5 Million Credit Facility

Name	Yard	Type
SBI Cronos	Imabari	Ultramax

