

ASX ANNOUNCEMENT

11 NOVEMBER 2020

VALMEC SELECTED FOR ARROW ENERGY SURAT GAS PROJECT

Valmec Limited (ASX: VMX), a leading energy, infrastructure and asset services group continues to be recognised for its multi-discipline capabilities, securing early works on the first phase of Arrow Energy's Surat Gas Project, located in South West Queensland.

Valmec's initial contract with Arrow to deliver critical water treatment facilities is valued at \$16 million and forms part of the first phase of works at the major gas development. The turnkey project involves procurement, construction and commissioning works at the Daandine Facility.

Importantly, the contract win reaffirms the national recognition of Valmec's water infrastructure expertise and comes less than a month after Valmec was awarded \$15 million of contracts with Water Corporation in Western Australia, as part of the utility's major metropolitan and regional infrastructure upgrade program.

Valmec's Managing Director, Steve Dropulich said: *"The Arrow Energy contract is another great example of Valmec's cross-capability with our expertise in water infrastructure being applied to one of our established gas energy clients and the nationally significant Surat Gas project."*

"Clients have recognised the efficiencies and cost savings associated with engaging early with a specialist contractor such as Valmec that has multi-discipline expertise and prides itself on providing a one-stop solution. We are pleased to be able to continue our long standing relationship with Arrow with this award recognising that our previous works have paved the way for us to showcase our diversified capabilities on this project."

"The Surat Gas Project is a significant undertaking by Arrow that has a life of more than 25 years and will develop around 5TCF of natural gas. Valmec is well positioned to continue to deliver further integrated and lower cost of ownership solutions to Arrow on this strategic project."

Arrow currently operates five gas fields in the Surat and Bowen basins in southern and central Queensland, respectively, supplying coal seam gas commercially from the Bowen Basin since 2004 and from the Surat Basin since 2006.

Work on the contract is expected to commence immediately with completion scheduled for FY22.

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