



ASX RELEASE

26 June 2023

For immediate release to the market

Queensland Pacific Metals – Upstream Production Solutions Operations and Maintenance Services

GR Engineering Services Limited (ASX: GNG) (GR Engineering) is pleased to announce that its wholly owned subsidiary, Upstream Production Solutions Pty Ltd (Upstream PS), has been awarded a 5 year contract, with an option for a further 5 years, to provide operations and maintenance (O&M) services for the Moranbah Gas Plant (MGP) and associated assets. The MGP is in the process of being acquired by Queensland Pacific Metals Limited's (ASX: QPM) subsidiary QPM Energy Pty Ltd (QPM Energy). The estimated revenue for this contract is \$30 million per annum.

As the regulated MGP operator, Upstream PS will provide ongoing O&M services from the wellhead through to the export pipeline (including all surface facilities O&M) and associated brownfields projects. Activities excluded from Upstream PS' scope relate to exploration and well drilling, well workovers, reservoir engineering, tenement and landowner management, facilities and environmental remediation.

This contract is conditional on transition of ownership of the MGP from Arrow Energy to QPM Energy. This is expected to occur in the first quarter of FY24.

Commenting on the award of the contract, Upstream PS CEO, Cameron Wills, stated that:

"Upstream PS is proud to be working with QPM Energy on a project aimed at preventing emissions by harvesting waste gas from operational coal mines. This approach aligns with the growing global focus on reducing greenhouse gas emissions and promoting sustainable energy practices."

GR Engineering's Managing Director, Tony Patrizi, stated that:

"We look forward to operating and maintaining this facility and working with QPM Energy to deliver safe and successful outcomes for this longer term project for Upstream PS."

Ends.

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