



## Announcement to Shareholders and the ASX

### **SAUNDERS INTERNATIONAL SECURES \$165 MILLION CONTRACT WITH CROWLEY FOR THE DESIGN AND CONSTRUCTION OF FUEL STORAGE TANKS AND EPCM SERVICES FOR THE CONSTRUCTION MANAGEMENT OF A US DEFENCE FUEL STORAGE FACILITY IN DARWIN**

Sydney – Monday 22 November 2021

## PROJECT HIGHLIGHTS

- Saunders International has been awarded a \$140 million contract by Crowley for the design and construction of 11 tanks for a jet fuel storage facility in Darwin.
- In addition to the design and construction contract Saunders will provide Engineering, Procurement and Construction Management (EPCM) services to Crowley for the delivery of the entire fuel facility and marine loading and unloading facility at Darwin Port.
- The value of EPCM services is estimated to be circa \$25 million.
- Saunders will manage the end-to-end project delivery of the fuel facility.
- Saunders' continued growth further strengthens its reputation as a leading provider of multi-disciplined engineering services in the bulk liquid storage sector.

Saunders International Ltd (ASX:SND) today announced that it has been awarded \$140 million contract for the design and construction of eleven jet fuel tanks for Crowley Solutions' U.S. Defence fuels facility in Darwin. In addition to this design and construction works Saunders will provide the "EPCM" management services and construction expertise to develop the balance of plant works packages for the project. The value of the EPCM management services, which will be performed under a schedule of rates agreement, is estimated to be circa \$25 million.

The project has been awarded by the U.S. Defence Logistics Agency-Energy to Crowley, a global solutions provider based in the U.S., for the provision of fuel management and storage services for Pacific military operations. The new fuel storage facility will be built at East Arm at the Land Development Corporation's future bulk liquids area site in Darwin. The project is forecast to be completed over the next two years and will support the U.S. Defence operations in the Indo Pacific region. With a capacity of 300 million litres of ship aviation grade JP-5 turbine fuel and commercial grade Jet A-1 fuel, the facility will be the largest fuel storage project in the Northern Territory once built. The project is expected to create 400 construction jobs and 20 ongoing roles. An interactive flythrough of the Terminal can be found on Saunders' website – <https://saundersint.com>.

Saunders' scope of works for the design and construction of the bulk liquid storage facility includes:

- Engineering design, supply, installation and dry commissioning of eleven jet fuel tanks at the East Arm facility; and
- Ground improvement, civil foundations and ring beams.



Saunders' scope of works for the EPCM services includes:

- All aspects of project management, procurement and construction supervision for the end-to-end project delivery of the jet fuel facility.
- Management of design consultants, through to dry commissioning of the complete jet fuel facility; and
- Awarding and overseeing major contracts such as early works, earthworks, structural, mechanical, piping, electrical, instrumentation works, site facilities and camp accommodation. These EPCM services will be performed under a schedule of rates agreement.

Saunders has been a market leader in the construction of bulk liquid storage tanks over the past 70 years and has an extensive track record in the delivery of major tank construction projects. Saunders has successfully constructed nine bulk liquid storage tanks (storage capacity of 285 million litres) over the past 18 months in Australia, including two tanks at the RAAF base in Darwin. There are a further two tanks being completed for the Australian Navy at the Larrakeyah Precinct in Darwin. Saunders will bring an experienced team of professionals and has the necessary plant and equipment to undertake this major project.

Saunders' strong balance sheet coupled with its diverse operational services in mechanical, electrical and civil engineering lays strong foundations to ensure the delivery of operational excellence on this project.

Saunders' Managing Director and Chief Executive Officer, Mark Benson said: "We are delighted to have been awarded this contract following the advisory services Saunders has provided over the past several months. Saunders has worked in a collaborative manner with Crowley to develop this project and during this time we have developed a strong relationship with Crowley whose values and culture are aligned to Saunders.

The award of this major contract demonstrates that Saunders consistent ability to leverage our innovative engineering and construction capabilities to deliver this cornerstone project. This project represents an important step in Saunders growth, having successfully constructed a similar amount of bulk liquid storage tanks over the past two years in Australia across multiple sites. Saunders has been building its organisational structure, systems and processes in anticipation of delivering major contracts of this size. Our experienced engineering and project management resources will be integral in the delivery of this major project. We look forward to working closely with Crowley for the next phase of this project and continuing to support the local Darwin community and engaging with the Larrakia people."

Crowley Solutions Vice President Sean Thomas said: "We are pleased to be entering into this agreement with Saunders International to provide professional management and tank construction services. Saunders' participation in this project will support Crowley's efforts to deliver important fuel storage services to the U.S. Defence Logistics Agency – Energy, at Darwin. We value their proven industry expertise in Australia and look forward to working with Saunders to deliver Crowley's energy solutions."

Authorised for release by Mark Benson, Managing Director and Chief Executive Officer.



### About Crowley

Crowley is a privately held, U.S.-owned and -operated maritime, energy and logistics solutions company serving commercial and government sectors with more than \$2.5 billion in annual revenues, over 160 vessels mostly in the Jones Act fleet and approximately 6,300 employees around the world – employing more U.S. mariners than any other company. The Crowley enterprise has invested more than \$3 billion in maritime transport, which is the backbone of global trade and the global economy. As a global ship owner-operator and services provider with nearly 130 years of innovation and a commitment to sustainability, the company serves customers in 35 nations and island territories through four business units: Crowley Logistics, Crowley Shipping, Crowley Solutions and Crowley Fuels. Additional information about Crowley, its business units and subsidiaries can be found at <https://www.crowley.com>.

### About Saunders International Limited

Saunders International Limited (ASX code: SND) is a multi-disciplined engineering and construction company providing design, fabrication, construction, shutdown, maintenance and industrial automation services to leading organisations across Australia, and the Pacific Region. The Saunders Group provides innovative cost-effective solutions to the oil & gas, infrastructure, defence, water, energy, mining & minerals sectors. The Saunders Group is driven by a commitment to safety, innovation, excellence and growth while delivering high quality engineered solutions across the complete asset lifecycle. Additional information about Saunders, its services and the sectors it operates in can be found at <https://saundersint.com>.

### For further information, please contact:

Mark Benson, Managing Director & Chief Executive Officer

(02) 9792 2444