



To: AAT Valued Customers
Subject: Quarantine Held Vehicle Charges

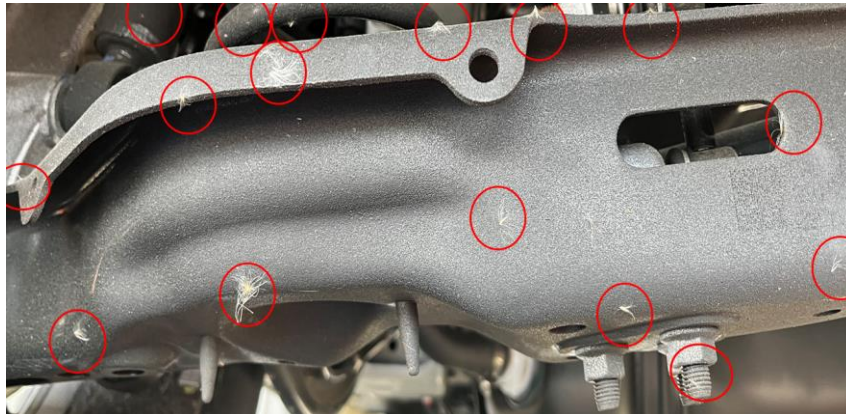
AAT previously budgeted for 600 cars in a terminal to be quarantine held. AAT would take the cars and clean them. The situation in the last 4 – 5 months has ballooned out of control, and we are now seeing 2600 to 4000 cars on any given day on hold for quarantine cleaning.

To understand the extent of the problem, at AAT Port Kembla, the 12 months to end of September 2022 AAT cleaned 7,293 cars. In the next 3 months 6,395 cars were held for cleaning. In January this year 9,966 cars were held for cleaning of which we were able to clean 5,610 vehicles. With this level of held cars, yards are congested, and ships can't discharge in a timely manner.

To combat the growth in cleaning AAT has

- Already installed more hoist in all our facilities, including Appleton Dock which is assisting to alleviate the problem in Melbourne
- Increased the number of staff on cleaning duties
- Extended shifts and/or working two shift a day
- Cleaning 7 days a week
- In Fisherman Island we are in the process of setting up another temporary storage and cleaning facility – waiting DAWE approval and hoist installation
- A further 3 hoists being installed in Port Kembla this week.

Seeds continue to be the major issue, but mud, leaves, twigs, insects, and other debris is also evident suggesting these cars have been parked in unsealed fields. An example of the extent of contamination is below with seeds circled in red which must be manually removed.



At time of global shortage of RoRo there are 33 RoRo on the East Coast alone, in port or at anchor waiting for a berth (not including those steaming between ports) 18 RoRo vessels in Melbourne, including north bound services for AAT ports, 7 RoRo in Port Kembla and 8 in Brisbane.

Given the unprecedented volume of held cars and yard congestion at AAT and other terminal, including Melbourne and Fremantle, RoRo vessels have been queuing for extended periods resulting in reduced volume through the terminal. AAT terminals are now facing loss of volume as RoRo operators explore option to go to other ports to discharge cargo to avoid the lengthy delays at AAT Ports.

AAT has absorbed the pain for 4 months giving the industry time to fix the problem at source but AAT are not seeing any improvement so from the 1st of March AAT will enforce storage at published tariff rates after the three free day period.

Antony Perkins
Managing Director