

Joint Media Statement

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CONSTRUCTION UNDERWAY ON QUEENSLAND'S BIOFUELS PILOT PLANT

Construction has commenced on the \$16 million Northern Oil Advanced Biofuels Pilot Plant in Gladstone, with the installation of infrastructure to house the first critical component in the refining process.

Work has commenced on the earthworks, concrete flooring and protective structure which will house the pyrolysis* plant which is the first stage in the process to convert waste materials into biofuel.

*(*Note: Pyrolysis is a form of gasification that turns waste into energy rich fuels by heating the waste under controlled conditions.)*

In March 2016, Southern Oil announced that Australia's first complete renewable fuels pilot plant would be built on the site of its world leading Northern Oil Refinery.

The Northern Oil Advanced Biofuels Pilot Plant will bring together all the equipment and technology required to produce biocrude and refine renewable fuels - a project that will be a game changer for Queensland and a significant economic and employment contributor to the region.

The Member for Gladstone, Glenn Butcher MP, said he was pleased to see the start of construction for the pilot plant.

"This biofuels pilot plant is scheduled to open in 2017 and is the next step towards a \$150 million, commercial-scale biofuel plant," Mr Butcher said.

"With the support of the Queensland Government, within the next three years the pilot plant aims to have produced one million litres of fuel for use in field trials by the US navy as part of its Great Green Fleet initiative, by the Australian Defence Force (ADF) for the navy, by Australian heavy road transport operators and possibly for the aviation sector."

Northern Oil Refinery General Manager Ray Carson said once the biofuel was accepted by both navies, it would open the door to a commercial-scale refinery capable of meeting the ADF's needs and provide green fuel opportunities for aviation and other heavy transport industries.

"Queensland will be a world leader in this space," Mr Carson said.

Mr Butcher said Southern Oil's decision to locate its biofuels future in Queensland was influenced by the State Government's support for the industry and by the wide range of feedstock sources.

"Regional Queensland is ideally placed to provide the volume of raw feedstock that this facility will need if it moves to a commercial-scale," Mr Butcher said.

"Southern Oil has told me it will require large volumes of what is currently considered to be 'waste material' as the feedstock, including bagasse from sugar cane milling, green waste from regional cities, woody weeds like prickly acacia and other wastes such as tyres from the mining sector, heavy transport and passenger vehicles."

Mr Carson said construction of the pilot plant would continue for the next four to five months and was scheduled to be commissioned in April 2017.

For further information, please contact:

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