

Media Release

23 June 2016

WORLD'S NEWEST BIOFUELS LABORATORY TO BE BUILT IN QUEENSLAND

A Queensland biofuels industry is one step closer with the world's newest biocrude and biofuel laboratory to be built in central Queensland on the site of the recently announced Northern Oil Advanced Biofuels Pilot Plant.

Southern Oil and JJ Richards & Sons, joint venture partners in the Northern Oil Refinery at Yarwun, near Gladstone, have announced the multi-million dollar laboratory will be constructed over the next few months.

The Australian Renewable Energy Agency (ARENA) announced this week it would provide \$2.37 million in funding to help develop and construct the \$5.3 million state of the art laboratory. Southern Oil will contribute the balance of the cost.

The laboratory will be part of the pilot plant and help to determine whether a compelling business case can be made to build a commercial scale biorefinery to produce renewable diesel and jet fuels.

Southern Oil Managing Director Tim Rose said the laboratory would provide critical information to help develop Australia's biofuel industry.

"A few weeks ago, Queensland Premier Annastacia Palaszczuk visited our Gladstone waste lube oil re-refinery to announce that, with the State Government's assistance, Southern Oil would develop a \$16 million biofuels pilot plant on site," Mr Rose said.

"The Northern Oil Advanced Biofuels Pilot Plant is scheduled to open in late 2016 and is the next step towards a \$150 million, commercial-scale biofuel plant.

"Together with this new world-class laboratory, which is being built with the support of the Federal Government's Australian Renewable Energy Agency, we take another critical step towards the development of a new renewables fuels industry for Queensland and Australia."

Mr Rose said that, within the next three years, the Northern Oil Advanced Biofuels 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 for the navy, by Australian heavy road transport operators and possibly for the aviation sector.

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

***For further information, please contact
Barton Green at Three Plus (communications consultant) on 07 3167 1200 or 0411 702 209.***

About Southern Oil (www.sor.com.au)

Southern Oil is a private, 100% Australian owned company, based in Wagga Wagga, NSW. It has been re-refining waste oil since 2001 and was the first company in Australia to produce fully re-refined lube oil to international standards. Through its two re-refineries - in Wagga Wagga and Gladstone, Queensland - Southern Oil can recycle more than 35% of Australia's annual production of waste/used lube oil.

Southern Oil Refining operates a waste lube oil re-refining plant at Yarwun in the Gladstone State Development Area as a joint venture with JJ Richards & Sons. The \$70 million plant is the only waste lube oil re-refining facility in Queensland, and has the potential to process all of the State's 100 million litres annually of waste lube oil. The advanced biofuels pilot plant will be co-located with the Yarwun re-refining facility.