

WAGGA FUEL FACTORY FIRST FOR AUSTRALIA

Wagga has become the centre of Australia's alternative fuel sector following the commissioning of Southern Oil Refining's new hydrotreater plant.

The \$2.2 million investment will enable Southern Oil to turn crude oil from products like woodchips and algae into fuel for planes and ships through a process called hydrogenation. The hydrogenation process removes impurities such as oxygen and nitrogen from bio and green crude oil to produce a cleaner burning and stable petroleum product.

Southern Oil Managing Director Tim Rose said the new plant would produce up to six million litres a year of military and commercial-grade fuel from renewable, Australian-produced, feedstock.

"I can proudly say Wagga is now home to the first fuel refining plant in Australia to run solely on crude oil from green and recycled sources," Mr Rose said.

"This city could also be the future of Australia's fuel security.

"At present almost all of the feedstock for domestic crude refineries is imported and reliant on secure shipping lanes and constant supply.

"As a country we don't stockpile fuel or oil and available supply can be as little as a few days.

"But in the hydrotreater we have the technology to reverse this trend and produce clean, green fuels from domestic renewable sources."

Mr Rose said the plant had wide ranging applications, including as a reliable and secure source of fuel for the Australian Defence Force.

At full operational capacity the hydrotreater can easily supply the Royal Australian Navy's yearly demand for jet fuel.

"The fuel blends the hydrotreater can produce are suitable for all military and commercial jet engines and marine and commercial diesel engines," Mr Rose said.

"We are also looking into the opportunities that exist for this technology in the plastics, cosmetics and textile industries."

Member for Riverina the Hon. Michael McCormack MP congratulated Southern Oil on its ongoing investment in jobs, innovation and in a greener future.

"This plant is the missing link between the alternative fuel promise and conventional fuel delivery," Mr McCormack said.

"What the hydrotreater will produce is specifically aimed at replacing the fossil fuels you put in your car, truck or plane.

"This is leading technology and it is being applied right here in Wagga using local expertise and innovation."

Mr Rose said the hydrotreater investment was only the first step in Southern Oil's ambitions for alternative crude processing.

"Our goal is to develop a large scale fuel refinery based on alternative crudes within five years," he said.

"There are a number of Australian innovators who have developed technologies to produce crude from bio and green products such as algae, wood, coal, human and agricultural waste.

"But without refining capacity to process their product, they haven't been able to proceed to commercial production.

"Now they have access to a refinery, while we can test the market and supply chain as we look to invest further in a new industry for Australia."

***For more information, please contact Andrew Strutton from Three Plus
(communications consultant) on 0422 071 547.***