



MEDIA RELEASE

SLICK MILESTONE FOR GREEN REFINERY

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Gladstone's Northern Oil Refinery has notched up its 10 millionth litre of re-refined lube oil in a Queensland environmental first.

The \$65 million re-refinery opened in March to give new life to waste oil collected from truck fleets, heavy vehicle operators, mines and local governments from across the country.

The re-refinery's operators, Southern Oil Refining and J.J Richards & Sons, said the milestone reflected growing industry appetite to embrace the highest standard of waste oil recycling.

"To put this milestone in context, 10 million litres of lube oil is enough to run 2 million cars in Australia for a year," Southern Oil Managing Director Tim Rose said.

"The beauty of lubricating oil is that it doesn't wear out, it just gets dirty and the additives in the oil lose effectiveness over time.

"But our re-refining process produces no waste - every component is reused and 99 per cent of the lube oil component in the waste oil is recovered as high quality lube oil for re-use.

"So once these 10 million litres have done their job lubricating the wheels of industry, they can be collected and sent back to the Northern Oil Refinery to create a near perpetual cycle of use and re-use of a diminishing and finite resource."

Gladstone Region Mayor Gail Sellers said the Northern Oil Refinery stood as a shining example of sustainable use of precious and finite resources.

"This is a wonderful milestone for the Northern Oil Refinery whose success hopefully points the way to a more sustainable future for all Australians," Councillor Sellers said.

"The Gladstone Region thrives on industry but this does not mean that it cannot continue to develop in a sustainable manner, and measures such as the re-refining of lube oil help maintain the balance between progress and maintaining a healthy environment.

"Southern Oil Refining and J.J. Richards & Sons have good reason to be proud of what the refinery has achieved since March and I wish them the very best for continued future success."

Member for Flynn Ken O'Dowd also praised the re-refinery as a leading investment in manufacturing, in regional Australia and in a greener future.

"The Northern Oil Refinery gives waste oil producers a home-grown environmental choice for their waste lube that underwrites a new industry and new jobs for Gladstone," he said.

"It is a great example of two businesses combining their expertise - and in doing so benefiting the environment and generating great economic opportunity."

For more information, please contact Andrew Strutton from Three Plus (communications consultant) on 07 3167 1200.



About the Southern Oil process

Lubricating oil doesn't wear out – it just gets dirty and the additives in the oil lose effectiveness over time.

Southern Oil re-refines waste lube oil for reuse as lube oil. The lubricating properties of the oil are not compromised by use or re-refining.

The re-refining process removes all contaminants and restores the oil to its original condition. The contaminants, such as dirt, water, fuel and used additives, are removed through vacuum distillation. The oil is then further treated to remove any remaining chemicals to provide consistent oil quality to international standards.

Southern Oil's re-refining process is a "cradle to cradle" treatment of oil and the highest form of recycling – keeping lube oil in productive use, delivering improved oil security through avoided imports and a lower carbon footprint compared to the production of imported crude.

The process recovers 99 per cent of the lube oil component of the waste oil, creating a near perpetual cycle of use and re-use of a diminishing and finite resource.

Used oil re-refining has been commercially available since the mid-1980s, but few companies successfully produce lube-to-lube base oil.

Using standard chemical engineering processes, Southern Oil employs a range of separation and extraction processes to manufacture base oil from used oils.

The re-refined base oil is then sold to third parties to blend with additives for engine, hydraulic, gear and transmission oils.

Facts on waste oil

- Waste oil is a hazardous substance.
- 1 litre of waste oil will contaminate about 1million litres of water.
- Every tonne of oil burnt in Australia releases almost 3 tonnes of carbon dioxide equivalents.
- If all of Australia's waste oil was re-refined, greenhouse gas emissions would be reduced by about 1million tonnes.

About Southern Oil

Southern Oil is a private, 100 per cent Australian owned company, based in Wagga Wagga, NSW, which has been re-refining waste oil since 2001.

About J.J. Richards & Sons

J.J. Richards & Sons is an Australian owned and operated family business with more than 80 years' experience in the waste management industry.