

# BOC and Qenos deliver Australian-made ethylene to LNG Export sector

Local ethylene reduces LNG export industry reliance on imports and significantly cuts delivery time

BOC, leading gases and engineering company, and Qenos, Australia's exclusive manufacturer of polyethylene, have shipped the first refrigerant grade ethylene to the major LNG plants in Queensland and the Northern Territory in a partnership that will significantly reduce reliance on ethylene imports.

As part of the ten-year multimillion dollar sourcing agreement, ethylene, traditionally manufactured by Qenos to produce polyethylene for the plastics industry, is now available for large scale LNG export plants and will be delivered across the nation by BOC.

Colin Isaac, BOC South Pacific Managing Director, said securing a domestic source of ethylene through its partnership with Qenos will provide greater supply security to the multi-billion dollar Australian LNG export industry. It will also cut delivery time for ethylene significantly as previous supplies of ethylene were shipped from Northeast Asia.

"BOC is proud to be supporting Australia's local manufacturing and export industries by delivering Australia's only locally-produced ethylene, a refrigerant required for the ongoing operation of these major LNG export plants.

"We are investing heavily in both local plant and local partnerships to enhance our supply capability. This minimises reliance on imports while increasing reliability of supply to Australia's growth industries in oil and gas where significant quantities of industrial and specialty gases are required."

Jonathan Clancy, Qenos Chief Executive Officer and Executive Chairman said: "This collaboration brings together two significant industry capabilities that recognise BOC's expertise in marketing and distribution of industrial gases, and the technical and manufacturing excellence Qenos provides in the production of ethylene."

"It is a classic example of how Qenos ingeniously transforms Australia's natural resources to add value to the domestic supply chain."

BOC funded the investments in the supply chain including the Qenos upgrade to the bulk ethylene filling bay at its Altona site to allow BOC tankers to fill and transport to its Dandenong site. BOC also increased capability at its Dandenong site to enable filling of ethylene into special shipping containers for delivery to customer sites.

Ethylene is an essential refrigerant for large scale LNG plants. It is used to liquefy natural gas through successively cooled heat exchangers. The LNG is then pumped into insulated storage tanks where it remains until shipment.

Other products that BOC supply to the LNG industry include refrigerants, nitrogen for purging, compressed gases and safety equipment.

BOC has significantly increased its domestic production and supply capability of industrial gases for the oil and gas sector with \$100 million invested in Perth and Karratha production facilities, the opening of a \$200 million micro-LNG plant and infrastructure in Chinchilla Queensland in 2014 and a \$65 million upgrade to its Dandenong Air Separation Unit and LNG facilities in 2010. Planning is currently underway for a new investment in Sydney that will expand BOC's scientific gas production capability.