



Media release

The Hon Ted Baillieu MP

Premier
Minister for the Arts

Wednesday 28 September 2011

Premier welcomes \$2 billion industry contracts for Victoria

In Beijing last night Premier Ted Baillieu witnessed the signing of a Declaration of Commitment as part of the signing ceremony for separate long term contracts worth more than \$2 billion between purchaser Qenos and suppliers ExxonMobil Australia and BHP Billiton to supply petroleum feedstock to the Qenos Altona plant.

Mr Baillieu was hosted at the Diaoyutai State Guesthouse by Mr Ren Jianxin, President of China National Chemical Corporation (ChemChina), for the signing ceremony attended by Mr Jonathan Clancy, Chief Executive Officer of Qenos Pty Ltd, Ms Emma Cochrane, Vice President of ExxonMobil Gas & Power Marketing Company, Asia Pacific and Africa, and Mr Arnoud Balhuizen, Vice President, Petroleum Marketing of BHP Billiton, Singapore.

Mr Baillieu said Victoria welcomed the final confirmation of Qenos, a world leading manufacturer, furthering its investment and expanding its operations in Victoria.

“This is a major commitment in Victoria between three companies which have developed a strong long term relationship that brings together the competitive advantages of our petroleum and manufacturing industries in Victoria,” Mr Baillieu said.

Mr Baillieu said these contracts represented a significant vote of confidence in Victoria's economy that would secure jobs at the Qenos Altona plant well into the future.

Work has already begun on the \$195 million plant redevelopment, announced in November last year, that will create 250 jobs during construction.

Qenos is Australia's sole manufacturer and leading supplier of world class polyethylene.

Ethane is produced by ExxonMobil Australia's and BHP Billiton's oil and gas operations in Bass Strait. LPG is supplied from the Altona refinery. They are supplied as basic raw material known as feedstock to the Altona Qenos plant where they are upgraded into a high-quality, high-density polyethylene, which is one of the world's most widely used plastics.

The Qenos manufacturing processes will also deliver significant environmental benefits from improved production efficiency, reducing both water use and greenhouse gas intensities.

The plastic products developed by Qenos will be used in both domestic and export markets.

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“Victoria is a prime investment location boasting high quality infrastructure, a highly skilled and educated workforce and a dynamic environment in which to conduct business,” Mr Baillieu said.

“China is already Victoria’s largest and most important trading partner, and this solid base continues to expand and is expected to become the dynamic driver of growth and prosperity for Victoria over the next 30 years.”

Qenos is a subsidiary of China National Bluestar (Group) Co Ltd, a joint venture between ChemChina and The Blackstone Group. Qenos was inducted into the Victorian Manufacturing Hall of Fame in 2011 in recognition of its innovative and sustainable manufacturing solutions.

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