

Media Release

13 November 2014

Qenos Extends Ethane Feedstock Contract with Santos and Origin Energy

Qenos today announced that it has secured a five year contract extension for the supply of ethane gas to its petrochemical facility in Botany, New South Wales with Santos and Origin Energy.

This gas supply from the Santos-led Cooper Basin joint venture, which commenced in 1996, has been essential to the maintaining and growing Qenos' NSW operations. Ethane is the feedstock used by Qenos' Botany operations to make an extensive range of polyethylene products, which are then sold to Australian and overseas manufacturers for conversion into a wide variety of household products and industrial applications.

Qenos Chief Executive Officer, Jonathan Clancy said, "Our Botany plant plays an important role in adding value to Australia's economy by utilising Australian natural resources and chemistry, creating significant direct and indirect employment in the manufacturing sector."

"This extension of our long term ethane supply underpins the Qenos Botany business by enabling us to undertake a significant major maintenance investment in 2015, reinforcing our ongoing commitment to supply our customers and the Australian market."

Mr Clancy also said that the extension of the long-running supply contract highlighted the critical role secure gas supply played in underpinning manufacturing in NSW.

"Without reliable and affordable gas supply, manufacturing operations such as ours would simply not be viable. It is essential to the continued health of NSW manufacturing that supplies of natural gas continue to be developed and delivered," Mr Clancy said.

Ethane is transported via a dedicated ethane pipeline from Moomba in South Australia to the Qenos plant at Botany.

Qenos is Australia's sole manufacturer of polyethylene and leading supplier of polymers with operations in Altona (Victoria) and Botany (New South Wales).

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For further information:

Rod Coughlin
Corporate Affairs Manager
Ph: 613 9258 7333
rod.coughlin@qenos.com

About Qenos

Qenos is an Australian leader in the manufacture, distribution and trading of polymers and is a vital link in the nation's manufacturing supply chain.

Our manufacturing operations in Altona and Botany employ over 700 people and focus on supplying Australia's growing polymer market. The world class quality of Qenos products reflects the skills and expertise of our people, our efforts in technology development, and our focus on sustainability, efficiency and innovation.

Qenos adds significant value to natural resources, creating high value products. We bring on the ground technical expertise to support our customers, and continue to build strong relationships with all of our stakeholders – our customers, employees, shareholders, financiers, suppliers, unions, regulators, governments and local communities – relationships that are critical to future growth and prosperity. Qenos makes products that contribute to conserve Australia's resources and energy.

Qenos supports local employment, expertise and skills through investment in research and development, and the business contributes more than \$1B each year to the Australian economy.

Every day in our homes, factories and farms, Australians rely on products made from the polymers and chemicals produced by Qenos. From juice and milk bottles to mobile garbage bins, water tanks and pipes to packaging of cleaning products and food wrapping, Qenos polymers are everywhere.

Qenos is a subsidiary of China National Bluestar (Group) Co. Ltd, a joint venture between China National Chemical Corporation ("ChemChina"), a global Fortune 500 company, and The Blackstone Group. Our international links allow us to source specialty products from around the world and give us access to global business opportunities.

Qenos continues its role as a leader and innovator and is focused on delivering sustainable solutions.

To learn more about Qenos visit www.qenos.com