



NEWS FROM BURRUP FERTILISERS

A regular news update for the community of the Shire of Roebourne

AMMONIA SHIPMENTS UNDER WAY

The maiden shipment of 37,000 tonnes of liquid ammonia from the new A\$700 million plant built by Burrup Fertilisers Pty Ltd (BFPL) in the Pilbara left the Port of Dampier on June 11, 2006, bound for Korea and Taiwan.

The shipment was the first ever export from Western Australia of a value-added product manufactured from gas from the North West Shelf.

Since then, a total of 165,500 tonnes of ammonia have been exported in six shipments, the most recent of which took place this week.

All ammonia produced at the plant has been forward purchased by Yara International ASA, primarily for use in the manufacture of fertiliser and plastics. Yara, one of the world's biggest fertiliser distributors, is an equity partner in BFPL, and has contracted to purchase the plant's total output of liquid ammonia for the next 20 years.

The Burrup plant, the largest of its kind in the world, manufactures a massive six per cent of total world production of tradable ammonia, and is the largest ever Indian investment in Australia.

Chairman and Managing Director of Burrup Fertilisers, Mr. Pankaj Oswal, said bringing the plant into full production was the culmination of a six-year dream.

"It is a tribute to the design, construction and operations teams that the plant has been able to achieve full production so soon after commissioning. We are now firmly on track to achieve our export target of 760,000 tonnes of liquid ammonia a year and are now, based on this impressive performance, actively exploring several other expansion options at our plant," he said.

The ammonia plant will contribute an estimated A\$30 million a year to the WA economy.

AMMONIA RELEASE POSED NO DANGER

Community concern was sparked this month by television reports of a major leak of ammonia from the plant, sending plumes of black smoke billowing into the air.

The reality was much less dramatic.

On August 8, the Burrup plant undertook a controlled and authorised discharge of ammonia that had not undergone complete combustion. This is a recognised technique in ammonia production, is covered by the plant's authorised operating procedures, and was referred to the appropriate regulatory authorities.

A relatively minor quantity of ammonia was released via a purpose built flare stack. The amount was measured as 10 parts per million (ppm). This is less than one third of the permitted short term exposure limit of 35ppm, and less than half the time weighted average of 25ppm. In other words, the volume released did not come close to representing any kind of threat.

Television news footage at the time certainly showed large clouds of black smoke, but these were being emitted from another plant, three kilometres away. Ammonia is a colourless gas that burns colourlessly.

The television company has since apologised for the error and expressed regret in respect of the inaccuracies in their report.

Corporate Director of Burrup Fertilisers, Wolfgang Jovanovic, said it was unfortunate that unnecessary concern had been caused in the local community.

"The controlled discharge was in accordance with standard procedures, carried out well within prescribed limits, and there was never any danger to personnel or the environment."

Government regulators conducted an investigation into the incident and confirmed that Burrup Fertilisers had acted in accordance with approved, safe operating procedures. Those investigations failed to substantiate any claims regarding negative effects on either people



The first export shipment of ammonia leaving the Port of Dampier.

or the environment.

"It is regrettable that the TV coverage appears to have caused unnecessary concern in the community – for which I apologise.

"I would like to assure the community that our plant has been subjected to intense scrutiny from external regulators prior to and since commencing production. Our team is committed to operating the plant in accordance with comprehensive Government regulations designed to minimise the likelihood of any serious occurrence happening at the plant," he said.



Following the official opening in Perth, Premier Alan Carpenter (pictured here with BFPL Chairman and Managing Director, Pankaj Oswal) visited the plant to see the production of liquid ammonia at first hand.