

Contract Resources Announces Major Investment in LNG Waste Processing Facility in Karratha, Western Australia

Embargoed to 12.01am, 21 February 2017: Contract Resources Limited, a specialised Industrial Services provider, has today announced a multi-million dollar investment into the development of a Liquefied Natural Gas (LNG) waste processing facility in Karratha's industrial precinct in Western Australia.

The secure storage, processing and purification facility will be the first of its kind in Australia. It will process and recycle spent catalyst and hazardous waste by-products which are removed from the oil and gas production stream process.

The highly specialised facility, which will use proven, world leading technology from ECON Industries GmbH of Germany, will enable these materials to be processed locally and in a timely and environmentally friendly manner. This eliminates the risks LNG gas producers are currently facing, with local long term storage, and international transportation and disposal of hazardous waste products.

Australia is one of the largest LNG exporters in the world¹. There are currently seven operating LNG developments, with a further three LNG schemes under construction, in Australia².

Contract Resources is well positioned to provide full life-cycle waste management processing and recovery services to these major LNG producers. The company is highly respected in the industry and has undertaken industrial services, including decontamination of oil and gas equipment for many years. The new facility is a natural progression towards providing a local solution to its customers, and peace of mind to the community.

Contract Resources CEO Ivor Ferguson, commented: "Demand for gas production has been growing exponentially and gas producers in Australia have been looking for an environmentally friendly solution for processing the waste by-products from the gas stream. The new Karratha plant has the capacity to process most of their waste needs. "

"Today's announcement is the culmination of nearly three years of solid work by our Corporate and Perth teams and we acknowledge the W.A. Government's LandCorp office for their help in the development of a secure precinct that is well placed to serve the hazardous waste disposal needs of major oil and gas producers."

A number of construction related benefits will be delivered to the local community as the plant is built and, when completed by the end of 2017, the facility will be the base of operations for Contract Resources in the North West and create many more flow-on employment opportunities in the region.

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About Contract Resources

¹ <https://industry.gov.au/resource/UpstreamPetroleum/AustralianLiquefiedNaturalGas/Pages/default.aspx>

² <https://www.appea.com.au/oil-gas-explained/operation/australian-lng-projects/>

Contract Resources provides specialised industrial and mechanical services to the international Oil & Gas, Energy, Chemical, Mining & Minerals, and Infrastructure Industries. Contract Resources is majority owned by Bapcor Limited, a publicly listed Australian company.



SETTING NEW STANDARDS IN

SPECIALISED INDUSTRIAL HAZARDOUS WASTE MANAGEMENT

Contract Resources provides specialised services that are essential to the efficient operation of heavy process-oriented industries around the world.

The management and disposal of mercury contaminated by-product is a growing challenge for Australian Oil & Gas producers. The only current solution of exporting this hazardous waste problem to other countries has become legislatively and ethically complex.

Our solutions driven team - with a strong history of working within high-risk work environments- identified the need for an Australian / local solution. A specialised environmentally friendly full life-cycle processing service for mercury contaminated waste for the Australian LNG market.

A HIGHLY SPECIALISED HAZARDOUS WASTE FACILITY

The result is a multi-million dollar, Class 4.2 Dangerous Goods secure storage, processing and purification facility to be built on Contract Resources' Karratha site during 2017. This technically advanced processing facility is the first of its kind in Australia, and is able to isolate amongst other things, mercury, hydrocarbons, water and solids from a range of contaminated byproducts.

The processing plant uses proven, cutting edge technology supplied by ECON Industries GmbH of Germany, which processes these byproducts near source, quickly, and in an environmentally sustainable manner.

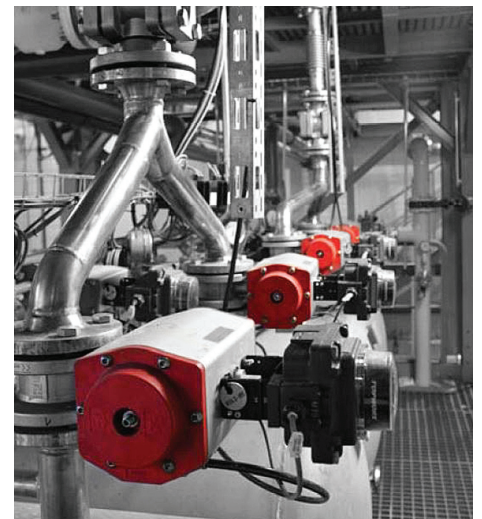
AN INNOVATIVE CUSTOMER SOLUTION

At Contract Resources, we rely on partnerships and innovation to continuously improve our services. The Karratha processing facility resolves many of the current problems facing Australian LNG producers. It offers a local state of the art, environmentally sustainable solution to processing hazardous waste by-products and eliminates the risks of other disposal options such as prolonged hazardous goods storage and complex international transportation and disposal.

Contract Resources now offer a full life cycle industrial service:

- Integrated Shutdown Planning
- Bespoke Equipment and Experienced Personnel
- Unplanned Response and Critical Path Service
- Maintenance and Shutdown Productivity
- Hazard Removal and Decontamination
- Hazardous Material Management

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AN UNPRECEDENTED COMMITMENT TO SAFETY

Having undertaken decontamination of oil and gas facilities for over 25 years, Contract Resources is well positioned to provide end to end specialised management services. Contract Resources is an ISO 9001 certified company with proven quality management systems in place. We're accustomed to handling hazardous materials and have Dangerous Goods and Controlled Waste carrier licenses as part of our existing operations.

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