

Media release

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ATTN: Chief of Staff/News Editor

Local LNG powers new mining venture

In another boost to the domestic LNG industry in Western Australia, EVOL LNG has entered into a long-term agreement with Gascoyne Resources' wholly-owned subsidiary GNT Resources Pty Ltd for supply of LNG to the Dalgarranga Gold Project.

Located approximately 70km north-west of Mt Magnet in WA's Murchison region, the mine will use LNG to fuel both Zenith Energy's 15MW gas-fired power station and the 2.5Mtpa gold processing facility, with supply planned to commence in the second quarter of 2018.

EVOL LNG Business Manager, Nick Rea, said the project emphasises that trucked LNG can support a gas-powered microgrid at a remote mine site without the need for full diesel redundancy.

"Zenith Energy has developed a gas-fired solution with a fuel efficiency better than diesel generation that also delivers the required load-acceptance capability," said Mr Rea.

EVOL LNG will build, own and operate a large on-site LNG storage and vapourisation facility at the mine. The facility will store more than one million litres of LNG which will keep the mine operating for up to two weeks if road access to the remote site is interrupted due to factors such as seasonal rainfall.

Gascoyne Resources' Managing Director, Mike Dunbar, said the project's 2.5Mtpa gold processing facility will also use LNG to fuel its carbon regeneration kiln, elution boiler and bullion furnace.

"Our decision to adopt LNG to fuel the project is about delivering the lowest energy costs, and doing so with a high level of reliability," Mr Dunbar said.

"In addition to significant bottom line cost savings, Gascoyne will avoid more than 63,000 tonnes of carbon emissions over the same period, which is equivalent to keeping 4,000 cars off the road."

EVOL's Nick Rea said the combination of high efficiency generators and the 25 per cent lower carbon emissions from LNG meant an emission intensity lower than similar solar-diesel hybrid power stations.

"This is achieved without the need for any government assistance and is cheaper than diesel," said Mr Rea.

"Mining and industry are increasingly seeking viable, low emission alternatives for their operations so supplying cleaner LNG that's produced 100 per cent in Western Australia makes economic sense and supports local jobs."

For more, visit evollng.com.au

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EVOL LNG provides liquified natural gas as a fuel for remote power stations, industrial facilities, marine bunkering and transportation that's cleaner than diesel. EVOL LNG is managed by Kleenheat, part of Wesfarmers Chemicals, Energy & Fertilisers, a subsidiary of Wesfarmers Limited.