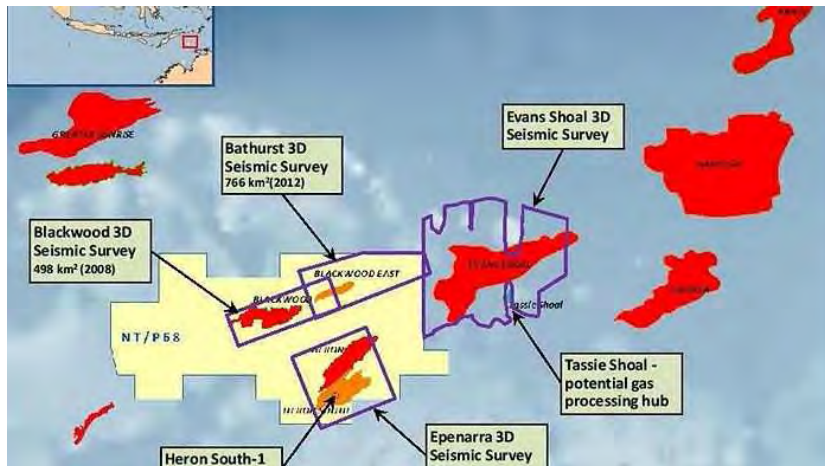




Timor Sea gas project gains momentum

By Carmen Brown Wednesday, 12 September 2012



A map of the Tassie Shoal proposed gas hub location. (MEO Australia)

AUDIO

[Tassie shoal gas project](#)

Resources company MEO Australia has been developing plans for a major processing plant at Tassie Shoal in the Timor Sea, which it says could become one of the biggest exporters of methanol in the world.

MEO Business Development Manager Robert Zammit says the development also has potential for significant LNG production and export.

Once considered a by-product of gas extraction, Mr Zammit says methanol is now a marketable resource in its own right.

"The staple use of methanol has been in building products and it does have hundreds of derivatives, but the growth recently has been in the use of methanol as an alternative fuel and also as feedstock into chemical plants".

And with an energy hungry population booming in Asia, those in the industry believe there will be no shortage of customers for the Tassie Shoals products.

Mr Zammit says his company is already in discussions with potential purchasers.

"On the methanol side, in fact on the LNG side as well, the buyers we are talking to and the most interest we have had of course has been from the Asian market.

"Whether it is directly Chinese buyers or not, certainly the Chinese demand is going to be influencing the overall demand in the region".

Independent corporate analyst Peter Strachan agrees there is a strong market for these products.

"It's clear that whilst demand for raw materials is fairly steady in northern Europe and north America, the expansion for demand for these raw materials in Asia is going to continue to see a strong demand growth.

"I mean, even with stable economic conditions there is still a demand for these products."

Although the project has received full environmental approvals from the Federal Government, some conservationists are still concerned.

Marine Conservation spokesman for the World Wildlife Fund, Paul Gamblin, says the Tassie Shoal area is part of a larger system of important marine habitat.

"Places like Tassie Shoal are really important because they are shallow water environments that have a lot of coral assemblages.

"We know that corals are under enormous pressure globally from pollution, from over-fishing, from climate change so any major development like this could have significant impacts on those areas."

Mr Gamblin says it may be timely for the Federal Government to take another look at the project.

"I understand approvals were given quite some time ago for elements of this project, a decade or more ago, so a lot more has been learned in that time about this region."

However, MEO Business Development Manager Robert Zammit, is confident the environmental assessment process was thorough.

"MEO has gone through a full environmental approvals process for both the methanol project and the LNG project.

"This involved the full evaluation of all the environmental impacts including bedding the facilities on the shoal, the discharges and the impact on the shoal area.

"There was a very exhaustive assessment of the best place to put this facility and after assessment of all the different alternatives out there Tassie Shoal was decided to be the best one."

Although the project is still in the development phase, MEO says it will provide many new jobs for Northern Territory locals in the longer term.

"Certainly there will be jobs for Territorians out of this, we are planning to have our supply base based in Darwin and we will be rotating staff I imagine out of Darwin as well, although that is a fair way down the track in terms of our process and our planning.

"We can see that in the long-term there will definitely be a lot of economic activity that will come out of Darwin."



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