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For Immediate Release

Bidvest to develop new South African LPG import facility for Petredec, the global LPG logistics leader

Johannesburg, South Africa - Petredec Limited (“Petredec”) and Bidvest Tank Terminals (“Bidvest”) today announced they have entered into an agreement for the development of a new facility for the import and storage of LPG (liquefied petroleum gas) in Richards Bay, South Africa. The facility will be a 22,600 metric tonne storage facility at Bidvest’s existing site in Richards Bay.

The completed facility will be the region’s largest pressurised LPG import terminal, featuring four mounded tanks, each capable of storing more than 5,500 metric tonnes of gas, guaranteeing year-round availability. Despite growing demand in domestic and regional markets, LPG imports have historically been hampered by high costs resulting from South Africa’s small coastal terminals and distance from major supply hubs. The commissioning of this new large scale facility – also capable of seaborne re-exports to neighbouring countries - will unlock previously unattainable economics resulting in lower supply prices to the local market.

With the breaking-of-ground planned in September 2017 and an estimated 27-month construction schedule, South African consumers can expect to be using LPG imported via the new Richards Bay terminal from Q4 2019. Dedicated 24-hour road tanker and railcar loading facilities will ensure constant supplies 365 days a year, enabling local LPG marketers to guarantee product availability to their customers throughout South Africa.

Petredec already supplies most of South Africa’s imported LPG and believes further investment in large, dedicated infrastructure is the only way to increase the fuel’s popularity and bring lower prices to consumers. Petredec CEO, Giles Fearn, said, “Our commitment to the development of the Southern African LPG market underlines our confidence in the growth potential of this region. Delivering LPG to South Africa on a previously unprecedented scale brings with it financial savings to our customers that will ultimately benefit consumers with lower gas prices”.

Managing director of Bidvest Tank Terminals, David Leisegang, commented, “We are excited about this very significant import-related project as it further demonstrates Bidvest’s commitment to better infrastructure and growth in the South African economy. The new facility will add significantly to the more than three and a half billion litres of bulk liquid product that is currently handled through our terminals in South Africa each year.”

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This investment demonstrates how Bidvest works in close collaboration and partnership with major customers to ensure the provision of strategic storage and materials handling infrastructure. By delivering this unique and innovative facility, which will be the global benchmark for pressurised LPG storage and handling terminals, Bidvest will ensure a better service offering to Petredec and its diverse customer base.

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About Petredec:

Petredec is the world's LPG logistics leader. Delivering over 12 million tonnes of LPG (liquefied propane and butane) annually and with a controlled fleet of over 50 gas carriers, as well as a downstream presence (LPG terminals and distribution), Petredec is the leading independent LPG specialist.

Regionally, Petredec has been delivering LPG to Africa since the 1980's and has its own 15,000 metric tonne import and storage facility in Mauritius alongside an LPG marketing business in Reunion.

About Bidvest Tank Terminals:

Bidvest Tank Terminals was established in 1953 and is the foremost independent bulk liquid storage operator for chemicals, liquefied gases, edible oils, fuel, base oils and lube oil additives in South Africa. With over 780 000 cubic metres of storage capacity, it has terminals on the coast in Durban & Richards Bay and inland at Isando. Over 3.5 billion litres of product is handled through its terminals each year.