

2015 RECORD TRADE 15 MILLION TONNES

For the first time in its history, the Port of Esperance has handled in excess of 15 million tonnes of cargo, with imports and exports totalling 15,057,124 tonnes for the 2014/15 Financial Year.

For the second year in a row, an exceptional grain harvest has contributed to the record trade being recorded by the Port, with grain exports totalling 2.171 million since 1 July 2014.

The 2014/15 Financial Year also saw a 4.3% increase in iron ore exports to 11.774 million tonnes and a 31% increase in fertiliser imports to 113,663 tonnes.

At the same time, the export of nickel hydroxide in containers fell by 22.5% to

118,250 tonnes. This reduction was a consequence of a major structural failure of an atmospheric leach tank at First Quantum Minerals (FQM)'s Ravensthorpe Nickel Mine in December 2014, which resulted in a temporary shutdown of the mine site for several months.

The temporary closure of FQM's mine site also impacted on imports of bulk sulphur and magnesium oxide both of which are used in the processing of the lateritic ore at the mine.

Total imports fell from 829,024 tonnes imported last year to 814,638 tonnes as a consequence, with total exports increasing from 14.110 million tonnes to 14.227 million tonnes.



Loading of woodchips onto the
MV LA Richardais - July 2015

Cargo Statistics

CARGO (Tonnes)	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
IMPORTS						
Container Tonnes Empty	26,618	25,483	35,851	33,233	16,674	9,356
Petroleum	277,972	292,135	308,559	350,814	309,997	304,590
Fertilizers	113,663	86,571	94,090	71,927	87,281	57,775
Sulphur	374,206	381,761	367,591	294,494	-	-
Magnesia Oxide	21,560	34,353	26,998	17,604	-	-
Sundry	15,707	8,721	7,982	239	11	-
TOTAL IMPORTS	829,726	829,024	841,071	768,311	413,963	371,721
TEU's IN	12,897	12,502	16,290	14,210	6,255	3,395
EXPORTS						
Container Tonnes Empty	3,947	7,727	2,092	3,353	33	-
Iron Ore	11,774,000	11,288,529	11,045,649	8,904,585	8,807,994	9,211,331
Nickel	101,437	92,653	216,422	299,987	290,647	323,684
Barley	787,323	854,045	485,115	640,211	317,360	611,210
Wheat	1,064,943	1,301,415	728,213	798,880	945,576	428,683
Sulphur	-	-	-	-	-	22,042
Lupins	4,793	4,950	9,216	-	12,792	19,205
Peas	-	-	14,161	32,817	36,268	31,546
Canola	313,804	374,577	363,828	220,486	295,669	247,565
Nickel Hydroxide	118,250	152,602	168,597	82,409	-	-
Gold Pyrite	58,683	22,824	-	-	-	-
Scrap Metal	-	10,147	-	-	-	-
Sundry	218	462	680	128	-	-
TOTAL EXPORTS	14,227,398	14,109,931	13,033,973	10,982,856	10,706,339	10,895,266
TEU's OUT	12,531	13,684	16,432	12,944	7,930	2,085
TOTAL TRADE	15,057,124	14,938,955	13,875,044	11,751,167	11,120,302	11,266,987
GROSS TONNAGE	9,540,827	9,835,814	9,106,096	8,138,887	7,571,504	7,886,877
NO. OF VESSELS	196	203	196	210	184	205
NO. OF TRADE VESSELS	186	197	192	204	181	202
TOTAL TEU's	25,428	26,186	32,721	27,154	14,185	5,480

July 2015 - First Woodchip Shipment from Port of Esperance

Over a period of 15 years (1994 to 2008), approximately 50,000 hectares of Tasmanian Blue Gum Trees (Eucalyptus Globulus) were planted in the Esperance region by Elders Forestry (formerly ITC). 400,000 tonnes of woodchips per annum would be exported through the Port of Esperance. The majority of the land was leased, primarily from farmers, for the planting of the trees.

Between 2005 and 2011 extensive discussions, planning and community consultation was undertaken by the Port and Elders Forestry to establish a viable means of exporting the woodchips. However, in November 2011, Elders withdrew from the forestry operations.

A number of factors contributed to this withdrawal, including the:

- 2007/08 Global Financial Crisis, which resulted in prices for woodchips falling to levels that rendered the export of woodchips unviable;
- 2011 tsunami in Japan further reducing demand for the product;
- Low rainfall and poor soil types which

affected tree growth; and

- The capital cost required to set up the chipping facility and export infrastructure required.

Elders Forestry subsequently sold off their land holdings and handed back the trees and land leased from the farmers. This left a 'stranded forestry resource' in the Esperance region and saw many farmers clear the plantations to return the land to cropping or pastoral usage.

In 2013 the Port was approached by a number of proponents who recognised the potential value in the stranded forestry resource, including Australian Plantation Log Exports (APLE) and Southern Pacific Fibre (SPF).

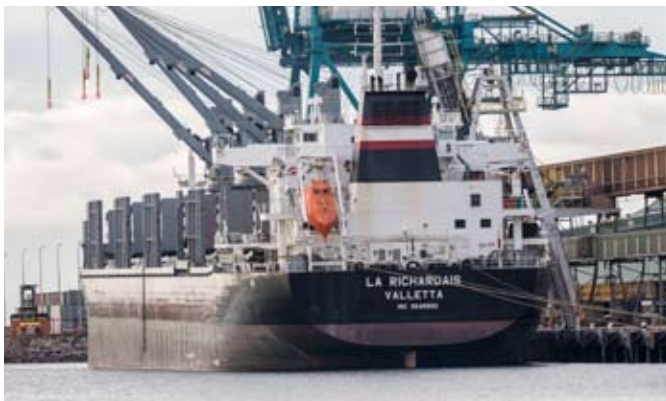
Since this time, the Port has been working with the Department of Environment Regulation (DER) and with APLE and SPF to facilitate the export of this product. The DER has granted each Company approval to export three (3) trial shipments of woodchips through the Port of Esperance. Following these trial shipments, the DER will be approached to seek a formal amendment to the Port's

Licence to enable woodchip exports to continue.

On Saturday, 4 July 2015 the first (trial) shipment of woodchips through the Port of Esperance commenced loading for APLE. This represented a momentous occasion for both the Port and Esperance Community in finally seeing the export of woodchips produced from the Esperance Blue Gum Tree plantations. The product was transported to the Port by truck and loaded directly to the vessel by use of a mobile ship-loader. No product was stored at the Port.

The shipment comprised of 15,185 tonnes of woodchips, aboard the MV La Richardais, which was sent to a Chinese buyer.

On Tuesday, 14 July 2015, SPF finalised the purchase of land in Chadwick, and Development Approval with the Shire of Esperance, for a Bulk Storage Facility for woodchips. Construction of the Esperance Woodchip Terminal is expected to take between eight and ten weeks, with harvest operations commencing as soon as the facility has been completed.



July 2015 - MV La Richardais being loaded with woodchips



Mobile ship loading conveyor



Mobile ship loading conveyor



Woodchips conveyed by the mobile ship loader into the hull of the vessel



Port Personality

ANDREAS MAIER

Ventilation Officer and Civil Asset Maintenance Coordinator

Andreas Maier first came to Australia in 1988 from the Black Forest, Germany initially for a five week holiday. He purchased a cream 1974 Holden HJ Station Wagon in Sydney and travelled as far as Byron Bay, then inland to Cooper Pedy and back to Sydney.

He returned to Germany for work commitments, including a period of time in French Guyana as a fitter/boilermaker in an open cut gold mine. However, his short stay in Australia made such an impression that he returned again in 1992 for six months on a Tourist Visa, now accompanied by his wife, Elke. They travelled around Australia in a blue VW Kombi Van. This visit reconfirmed his growing desire to live in Australia.

In 1995, Andreas, Elke and their 2 ½ year old daughter, Maylea came to Esperance as permanent residents.

Maylea's name is Polynesian for wildflower. She was named by Andreas

and Elke as a reminder of their time travelling in the far north of Australia during the wildflower season. In 1998, their second daughter, Lara was born in Esperance.

Andreas bought with him from Germany a love of vintage cars, dogs and horses. His grandfather used to train military horses in Germany, and Andreas' collection of artefacts includes the saddle his grandfather once used. The latest addition to his collection is a retired racehorse, Bella Felina and an orange 1974 VW Beetle, which he has named the "Love Bug". Andreas currently lives in the Pink Lake district of Esperance, with his two daughters and partner, Liz.

In February 2002, Andreas commenced work at the Port of Esperance as a fitter and boilermaker with the Maintenance Department. Since this time, he has taken on the role of Ventilation Officer at the Port, as well as the role of Civil Asset Maintenance Coordinator.

He is responsible for the day to day running of the Port's CONTAM Sampling process to ensure that Employees at the Port are not exposed to any harmful atmospheric conditions. Samples are analysed on a quarterly basis based on an Occupational Hygiene Plan. Employees are monitored, sometimes daily, during the quarter by way of special units they are required to carry during their normal day to day activities at the Port.

As the Civil Asset Maintenance Coordinator, Andreas ensures that the Port's Civil Assets are maintained and improved. The Civil Asset Maintenance Team, comprising of six permanent Employees cover a large area of the Port and its land, (including responsibility for roads, breakwaters, drainage, sheds, building maintenance, parks and gardens). At times the Port requires the assistance of Contractors to undertaken some of these maintenance tasks, and Andreas also oversees this work.



SOUTHERN PORTS AUTHORITY
Port of Esperance



(08) 9072 3333



enquiries.esperance@southernports.com.au



PO Box 35, Esperance WA 6450



www.southernports.com.au