

FOR RELEASE
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**SOUTH LOUISIANA METHANOL ANNOUNCES \$2.2 BILLION PROJECT IN
PORT OF SOUTH LOUISIANA JURISDICTION**

Joint venture with SABIC would result in 75 new direct jobs, estimated 350 new indirect jobs

Baton Rouge, LA

On Friday, January 4, 2019, Governor John Bel Edwards and South Louisiana Methanol CEO Paul Moore announced plans to pursue a \$2.2 billion capital investment in a new methanol complex –one of the world’s largest methanol production sites– to be located in the Port of South Louisiana district. South Louisiana Methanol, a partnership between New Zealand-based Todd Corporation and Saudi Arabia-based SABIC, is expected to create 75 new direct jobs with average earnings of \$71,400, 350 permanent indirect jobs, and 800 construction jobs. The South Louisiana Methanol project was originally announced in early 2013, a joint venture between Todd Corporation and Texas-based ZEEP, Inc. Renascence of the methanol facility may begin as early as later this year, contingent on negotiations with SABIC, which has a subsidiary based in Houston.

“The Port of South Louisiana is excited to hear the developing news for the South Louisiana Methanol plant in St James Parish,” said Executive Director Paul Aucoin of the Port of South Louisiana. “The new partnership with SABIC and South Louisiana Methanol will bring more opportunities to the success of this great project. This will add to the two new large projects recently announced this past year, all good news for our port district and Louisiana.”

Ready access to affordable supplies of shale natural gas have led to the development of multiple methanol projects in Louisiana, a trend which could help the U.S. become a net exporter of methanol in the near future, according to a market analysis performed by ADI Analytics and commissioned by the Methanol Institute. South Louisiana Methanol’s 1,500-acre complex in St. James Parish will use natural gas to produce an estimated 2 million metric tons of methanol per year to be used by manufacturers to produce every day goods such as plastics, polyester fibers and fabrics, pesticides, fuel additives, pharmaceuticals and adhesives for the wood products industry.

“SLM is pleased to announce the project agreement with SABIC,” said Paul Moore, the South Louisiana Methanol chief executive. “SABIC brings years of proven methanol operating experience and a global distribution network, and we are pleased to be based in St. James Parish, with great access to the Mississippi River and gas feedstock, and a business-friendly community and state.”

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The state of Louisiana renegotiated South Louisiana Methanol's 2013 incentive package, wherein it is eligible for a \$5 million performance-based grant, with \$1.5 million payable upon the company making a minimum of \$150 million in capital expenditures in the state. The company will also receive assistance from the state's LED FastStart, and Industrial Tax Exemption and Quality Jobs programs.

"This agreement represents part of SABIC's strategy to focus on the geographic diversification of its business, to reach new global markets and enable the company to access raw materials at competitive prices. The Port of South Louisiana and in-place transportation infrastructure make St. James Parish a great location," said Mohammed Al-Wakeel, SABIC US Methanol's President and CEO.

About South Louisiana Methanol

South Louisiana Methanol LP is a new entrant into the global methanol market created to produce competitively priced methanol by accessing abundant U.S. natural gas. SLM's approach is to leverage the U.S. shale gas boom for the benefit of domestic and worldwide customers, natural gas producers, the local Louisiana work force and investors. SLM, a partnership of Todd Corp. with ZEEP Inc., is dedicated to investing in St. James Parish and the State of Louisiana by domestically upgrading abundant natural gas to methanol. For more information, visit www.SouthLouisianaMethanol.com.

About the Port of South Louisiana

The Port of South Louisiana is a 54-mile port district on the Mississippi River between New Orleans and Baton Rouge, encompassing the parishes of St. Charles, St. John and St. James. The facilities located within the port's district consistently handle over a quarter billion short tons of cargo annually, ranking it the largest tonnage port district in the Western Hemisphere (and the 16th largest in the world), the nation's greatest grain exporter, and one of the major energy transfer ports in the United States. Along the 108 miles of deep-water frontage on both banks of the river there are seven grain transfer facilities, four major oil refineries, 11 petrochemical manufacturing facilities and several other facilities for a total of more than 50 docks owned and operated by an impressive group of companies in the Port District, such as ADM, ArcelorMittal, Cargill, DowDupont, Marathon, Shell, Nucor Steel, Occidental, Valero, and Occidental Chemical. The Port also owns and operates the Executive Regional Airport (KAPS). To learn more, visit us at www.portsl.com, like us on [Facebook](#), and follow us on [LinkedIn](#).

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