

PRESS RELEASE

Methanation Technology for Coal-to-SNG Project in China

London, 8 January 2010

Davy Process Technology (DPT), part of Johnson Matthey Plc, is pleased to announce that it has entered into contracts with Datang Energy Chemical Co. Ltd. for a plant to produce Substitute Natural Gas (SNG) from coal. The scope of the project includes a technology licence, basic engineering design, catalysts and support services for the methanation unit that converts synthesis gas to SNG.

The new plant will be located in Keshiketeng County, Inner Mongolia, and have a capacity of 12,000,000 Nm³/day of SNG produced from 3 parallel units which will be constructed sequentially. The SNG will be sent by pipeline and when it begins operation will provide a significant portion of the domestic energy needs of Beijing.

This project is the first of its type in China and represents a major step forward in the conversion of coal to SNG, which can be used far more easily and with far less environmental impact than coal or alternative energy sources.

The selected methanation technology has been chosen from an extensive portfolio of processes available from DPT and Johnson Matthey Catalysts for use in gas and coal-to-chemicals plants. The technology was originally developed in the UK specifically for the purpose of SNG production and has been licensed by DPT since 1997. Catalysts for the process are supplied by Johnson Matthey Catalysts. Such catalysts are already in use in SNG production at a commercial scale in the USA.

Notes to the editor:

Datang Energy Chemical Co. Ltd. is a wholly owned subsidiary of the Datang Group, one of the largest power generation groups in China.

Davy Process Technology, a fully owned subsidiary of Johnson Matthey Plc, is a global business in chemicals technology development and technology licensing. The company has its headquarters in London and has a Technology Centre in Stockton-on-Tees, UK. It owns a range of proprietary process technologies including Methanol, DME, fixed-bed Fischer Tropsch, SNG, Butanediol, Detergent Alcohols, Oxo Alcohols, Industrial Amines, Ethyl Acetate and PTA.

Johnson Matthey Catalysts is a supplier of both precious and base metal catalysts and offers products for a diverse range of industries: from fuel cells and environmental catalysts to petrochemicals, edible oils and specialist oil and gas purification. Johnson Matthey Catalysts also supplies a full range of catalysts for synthesis gas (syngas), ammonia, methanol and hydrogen, and is able to custom manufacture Fischer-Tropsch catalysts.

For further information, visit our websites at www.jmccatalysts.com,
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