Alkylated Amine Epoxy: Maximise productivity, Minimise cost

February 2019



CUI – The Problem

Latest figure – Globally £4 trillion (OGTC site)

<u>CUI – Corrosion Under Insulation</u>

Electrochemical reaction Problem recognised ~ 60 years ago Still causing concern today >80% CUI occurrences in piping

NACE SP0198 now states CUI can occur up to 175°C



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Insulation characteristics

Insulation system theoretically dry and barrier to water In reality impossible to prevent water ingress

- Mechanical damage
- Degradation of mastic sealing cladding
- Complex geometries



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Results of CUI



Typical results of CUI

- Metal Loss
- Failure of metal substrate resulting in catastrophic explosions



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The Challenge

- Oil & Gas projects can involve thousands of pipe spools, valves and vessels
- All require different coating schemes depending on
 - Carbon steel or stainless steel
 - Insulated or un-insulated requirements
 - Service temperature range





The Challenge

Pipe Spool Coater, Louisiana, USA: "In a single month, I will use 40 different coatings from 6 different manufacturers...it's a nightmare!"





The Challenge

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SP0108-2008

Table 3B. Typical Atmospheric Zone Maintenance Coating Systems on Carbon Steels

| Service Category | Coat | Coating System | DFT, μm (mil) | Target DFT, μm (mil) | |
|--|-------------|--|---|-------------------------------|--|
| CM-1 Water condensing pipes | 1 | Underwater-curable epoxy ^(A) | 375-750 (15-30) | 500 (20) | |
| CM-2 Atmospheric zone | 1 2 3 | Epoxy primer High-solids epoxy Polyurethane | 125-175 (5-7) 125-175 (5-7) 50-75 (2-3) | 125 (5) 125 (5) 75 (3) | |
| -50 to 120°C (-58 to 248°F) with/without insulation | 1 2 3 | Organic zinc-rich primer Epoxy Polyurethane | 50-75 (2-3) 125-175 (5-7) 50-75 (2-3) | 75 (3) 125 (5) 75 (3) | |
| | 1 2 3 | Moisture-cured urethane primer Moisture-cured urethane Moisture-cured urethane | 75-125 (3-5) ^(B) 75-125 (3-5) ^(B) 75-125 (3-5) ^(B) | 100 (4) 100 (4) 100 (4) | |
| CM-3 Atmospheric zone | 1 2 | Epoxy phenolic Epoxy phenolic | 100-125 (4-5) 100-125 (4-5) | 125 (5) 125 (5) | |
| 120 to 150°C (248 to 302°F) with/without insulation | 1 2 | Silicon-based HB coating ^(C) Silicon-based HB coating ^(C) | 100-200 (4-8) 100-200 (4-8) | 150 (6) 150 (6) | |



The Challenge Epoxy Phenolics

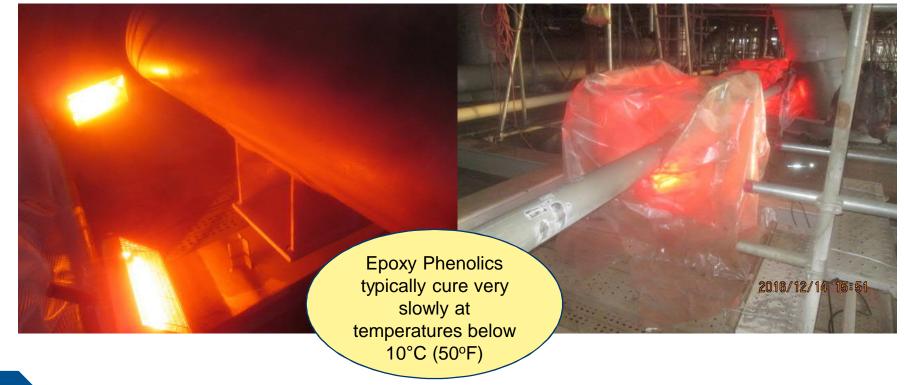


In -196°C to 230°C (-320°F to 446°F) temperature range the epoxy phenolic currently dominates conventional specifications, but presents challenges for large, complex projects.



The Challenge Epoxy Phenolics

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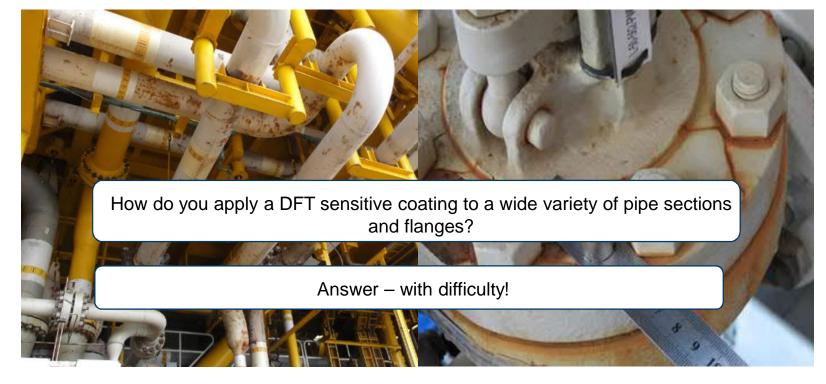


The Challenge Epoxy Phenolics

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The Challenge Epoxy Phenolics



The Challenge Complexity

Lots of coating systems

Some are difficult to apply easily

Complexity and slow curing can slow down productivity

Is there a better way?

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Alkylated Amine Epoxy Coating Performance from -196°C to +230°C

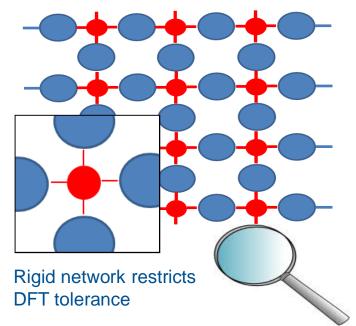
What is Alkylated Amine Epoxy Technology?

Alkylated Amine Epoxy



XInternational.

Typical Epoxy Phenolic



The Benefits Tolerance to over application

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Standard Epoxy Phenolic 2 x 175µm (7mils)



Standard Epoxy Phenolic 2 x 225µm (9mils)



Alkylated amine epoxy 2 x 350µm (14 mils)

Test consists of heating to 200°C (392°F) for 8hrs and leaving to cool to ambient for 16hrs; test is repeated 5 times





The Benefits Fast and Low Temperature Curing = Productivity Increase

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20°C (68°F) ambient temperature

| Epoxy Phenolic | System |
|------------------------------|-----------------------|
| Alkylated Amine Epoxy System | 2x faster application |
| | |

Time to apply system:

| Temperature | Hard dry | Min Overcoating |
|-------------|-----------------------------|------------------------------|
| -5°C | 10 hrs <mark>(N/A)</mark> | 14 hrs <mark>(N/A)</mark> |
| 10°C | 8 hrs <mark>(16 hrs)</mark> | 10 hrs <mark>(36 hrs)</mark> |
| 20°C | 6 hrs <mark>(10 hrs)</mark> | 7 hrs <mark>(20 hrs)</mark> |
| 35°C | 4 hrs <mark>(7 hrs)</mark> | 4hrs <mark>(16 hrs)</mark> |

Alkylated Amine Epoxy in Black. Typical Epoxy Phenolic values in red



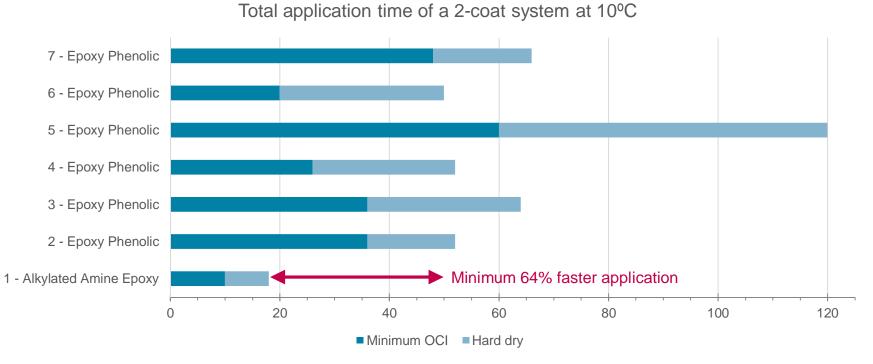
Performance Analysis Benchmarking

| Coating | Coating Chemistry |
|---------|-----------------------|
| 1 | Alkylated Amine Epoxy |
| 2 | Epoxy Phenolic |
| 3 | Epoxy Phenolic |
| 4 | Epoxy Phenolic |
| 5 | Epoxy Phenolic |
| 6 | Epoxy Phenolic |
| 7 | Epoxy Phenolic |
| 7 | Epoxy Phenolic |

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- All coatings typically specified for service at least up to 200°C
- ¬ Applied at 2 x 125 µm
- All coatings cured at ambient (20°C) for a minimum of 7 days before testing



Productivity



Based on technical datasheets of each product

Performance Analysis Benchmarking

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Performance of the 7 coatings was tested under the following conditions:

■ Anti-corrosive performance at ambient temperature (-20°C to +60°C)

- Cyclic ageing test (ISO 12944-9:2018) - 25 week cyclic accelerated test

¬ Heat resistance

- Exposure to +205°C for up to 6 months

¬ Durability without topcoat or insulation

- Erosion resistance



Anti-corrosion performance

| System | 1 AAE | 2 | 3 | 4 | 5 | 6 | 7 |
|------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Photos | PCWS4456/B7/3-1 | PCWS4456/B7/1-1 | PCW54456/B7/2-1 | P¢WS4456/B715-1 | PCWS4456/B7/6-1 | PCWS4456/B7/7-1 | PCWS4456/B7/8-1 |
| Rust creep | 5.3 mm | 7.7 mm | 7.7 mm | 8.1 mm | 8.8 mm | 8.1 mm | 3.3 mm |
| Defects | None | None | None | None | None | None | Ri5 |

25 weeks – Cyclic ageing test according to ISO 12944-9:2018 (performance testing for CX environments)

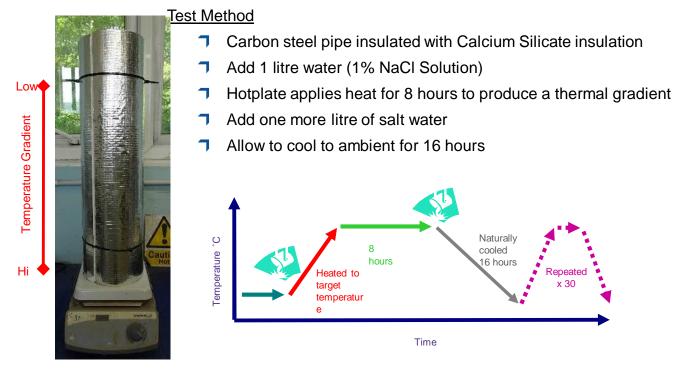
| Day 1 | Day 2 | Day 3 | Day 4 | Day 5 | Day 6 | Day 7 |
|-------|-------------------|---------|--------|-----------------|----------|--|
| UV/co | ondensation — ISC | 16474-3 | Neutra | ıl salt spray — | ISO 9227 | Low-temp. exposure at (-20 ± 2) °C |
| | M | i ya | | L.V. | | |
| | | | | X Int | ernati | onal |



Dry Heat resistance – 6 months at 205°C

| System | 1 – Alkylated Amine Epoxy | 2 | 3 |
|--|---------------------------|--------------------|--|
| Photos (and close-up where defects were observed) Results after 6 months exposure | No visible defects | No visible defects | Lens x30 Significant cracking after 6 weeks |
| 4 | 5 | 6 | 7 |
| Significant cracking after 12 weeks | No visible defects | No visible defects | Lens x30 Minor cracking after 3 weeks |

Performance under insulation (ISO19277- AkzoNobel 2018)- Appendix





After 30 cycles (6 weeks) the pipe is removed from test and the coating evaluated

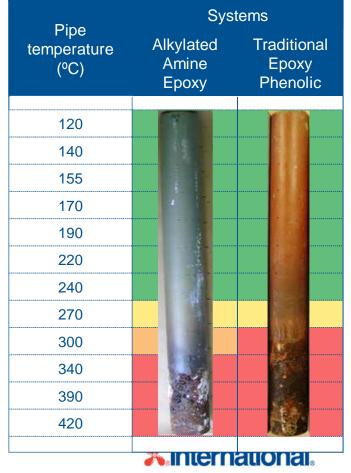
CUI Resistance - Houston Pipe Test (ISO19277-2018)- Appendix

Houston Pipe test

Tested up to ~400°C, although organic coatings are expected to degrade above 250-300°C

Alkylated Amine Epoxy coating offers comparable performance to industry standard epoxy phenolic in terms of protection against Corrosion Under Insulation

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Alkylated Amine– Track Record 2016

| Customer | Clavon Engineering |
|-------------|--|
| Information | Alkylated Amine was applied in 2 x 100 micron coats to pressure vessels. These vessels will operate uninsulated and at high temperature as part of the Rapid RGT2 Project. |
| Project | Rapid RGT2 Project. |





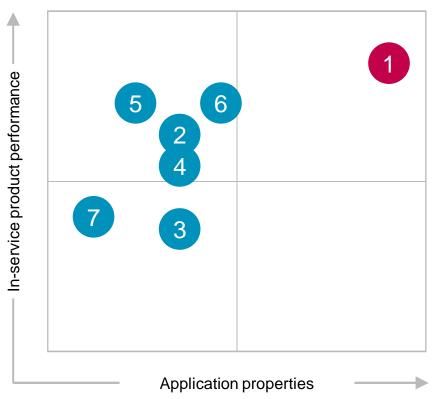
Alkylated Amine – Track Record 2016

| Customer | Chevron |
|-------------|---|
| Information | Alkylated Amine has been applied to flare release lines on the Gorgon Gas Project in Western Australia. |
| Project | Gorgon Gas Project |



Overall Performance – Conclusion

- Generic coating chemistry is not a guarantee of performance: heat resistance and anti-corrosion performance is not equal amongst "epoxy phenolics".
- Alkylated Amine Epoxy coating offers equivalent high heat and CUI performance to industry standard epoxy phenolics. UV resistance is significantly improved.
- Alkylated Amine Epoxy coating offers major application advantages:
 - Improved DFT overapplication tolerance
 - Fast and low temperature curing





Overall Performance – Conclusion

All together mean that Alkylated Amine Epoxy technology offers

= reduced application costs and increased productivity



Questions?