

## CCUS PROJECTS READY FOR \$500 MILLION GOVERNMENT INVESTMENT

The more than \$500 million in new Australian Government investment for carbon capture utilisation and storage (CCUS) and clean hydrogen will play a significant role in accelerating the development and deployment of these critical emissions-reducing technologies in Australia.

Low Emission Technology Australia (LETA) Chief Executive Officer Mark McCallum said the government's commitment announced today would give greater certainty to industry, especially for projects ready to deploy.

"From our work over a decade, we know that Queensland has world-class carbon storage sites capable of permanently and safely storing potentially billions of tonnes of CO<sub>2</sub> from many sources, and LETA is willing to invest more than \$100 million that will lay the foundations of a Queensland carbon hub in the Surat region," said Mr McCallum.

"Glencore's CTSCo Project is the lynchpin to opening up the highly prospective Surat region — with its many coal and gas-fired power stations operating alongside other significant industries — as a CCUS hub and, with government funding, we're ready to make this happen.

"As soon as 2023, with government and industry support, this project will be the first in Australia and only the third in the world to capture carbon emissions from a power station."

The revolutionary Allam-Fetvedt (Allam) Cycle is another technology LETA is investing in which could be established in Australia with government support and make a game-changing difference to Australia's low carbon economy.

"Unlike conventional coal-fired power, this technology co-produces clean hydrogen below \$2, captures its CO<sub>2</sub>, and can quickly ramp up and down just like natural gas, complementing renewable energy sources," said Mr McCallum.

"CO<sub>2</sub> storage is a necessity for the Allam Cycle and, when cofired with coal and biomass, has the potential to deliver emission reductions below zero (net negative).

"We're very keen to bring this revolutionary technology to Australia which could help Australia meet its international climate commitments and play a significant part in our own transition, and that of our customer nations to a low-carbon economy."

Mr McCallum said the new government funds, combined with allowing CCUS projects to access Australian Carbon Credit Units, would help stimulate broader industry investment.

"CCUS is gaining much more interest and traction in Australia and LETA is ready to continue its partnership with governments in carbon capture and storage and hydrogen projects," he said.

"Contrary to what is often reported, CCUS is not a technology in its infancy. It is proven, working around the world today, and becomes more affordable with every project and facility developed. We expect this trend to continue as the technology progresses in Australia."

Mr McCallum said the importance of carbon dioxide storage to a net-zero emissions future could not be underestimated.

"CO<sub>2</sub> storage is key to establishing hubs which can reduce and remove emissions from the industrial sector and create new clean industries of the future," he said.

“Storage unlocks carbon hubs, allowing CO<sub>2</sub> from many sources including a range of industries and power stations to be safely and permanently stored, decarbonising those hard-to-abate sectors which we rely on for products we use every day, like power, steel and cement.

“They also enable industries of the future to be opened up, such as producing clean hydrogen and ammonia for fertiliser, which can be used domestically or to create lucrative export markets.

“We’re seeing this approach across the UK and Europe — with great levels of collaboration between industry and government — using the proximity of industrial sites and CO<sub>2</sub> storage locations to decarbonise, protect jobs, create new ones, and generate local growth.

“We can do the same here.

“The government’s commitment announced today will make corporate investment decisions easier and help take projects and hubs like these from concept to construction much quicker, which can only be a good thing as we work towards net-zero.”

## **#ENDS**

### **About LETA**

LETA is a \$550 million fund established by the Australian black coal industry to invest in technologies that can significantly reduce emissions and support the transition to a low emission global economy, in line with the Paris Agreement. We partner with government and industry locally and internationally to develop projects that reduce and remove carbon emissions from large-scale industrial processes such as power generation, steel and cement manufacturing, mining, and future energy sources such as hydrogen. Our investment in low-emissions technologies demonstrate and support global action to lower industrial emissions in Australia and overseas.

### **About LETA projects**

LETA’s projects include Australia’s first carbon hub in Queensland, the Carbon Transport and Storage Company CCUS project, clean hydrogen production and the Allam Cycle – a near-zero emission power generation technology for coal.