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# MEDIA RELEASE

## Victoria has huge potential for development of chemicals from brown coal

China is likely to play a critical role in disseminating new technologies for the conversion of lignite coals to chemicals, gaseous and liquid fuels according to an IEA Clean Coal Centre report launched today at a Brown Coal Innovation Australia (BCIA) research seminar in Melbourne.

IEA Clean Coal Centre General Manager, Dr Andrew Minchener - author of the report - told the seminar: "China has a major government backed coal-conversion development and deployment program. Building on new technologies from a strategic R&D program, coal-to-chemicals processes are set to become a significant, large scale commercial element in China's economy. Victoria's world-class brown coal deposits also provide major opportunities for the deployment of large scale coal gasification technologies that could convert brown coal to fertilisers, liquid fuels and fine chemicals."

Dr Minchener delivered the keynote address '*Coal gasification for chemicals, gaseous and liquid fuels in Asia*' at the BCIA seminar. Dr Minchener said: "While today South Africa has established the world's only commercial scale coal to liquids facilities, China's activities are growing rapidly. It can also provide the technical expertise and financially underpin coal conversion projects, including associated infrastructure needs, in other countries."

Dr Minchener told the audience of more than 130 Australian and international delegates at the BCIA seminar: "Coal gasification can fulfil an important strategic need in countries where coal is the primary fuel source and oil and gas energy security is an issue." Dr Minchener's report shows several Australian-based companies are exploring coal conversion projects in developing countries including Mongolia, China, Vietnam, Turkey and the Ukraine.

BCIA Chief Executive Officer, Dr Phil Gurney, said "As demonstrated through attendance at this seminar and participation in our competitive R&D funding rounds, there is strong domestic and international interest in capturing full value from Australia's world class brown coal resource through low-emissions technology innovation for the conversion of coal to high value chemical and fuel products.

"There have been significant developments in improving the technical and environmental performance of coal-to-chemicals processes in recent years and BCIA intends facilitating further discussion on utilisation of brown coal – this will include a seminar in 2014 on capture technology. BCIA is delighted that the CarbonNet Project, the sponsor for this seminar, will also sponsor the 2014 seminar," said Dr Gurney.

The BCIA seminar on '*Coal to Products – Gasification, Pyrolysis and Beyond*' was sponsored by the CarbonNet Project which is investigating the potential for establishing a large-scale, multi-user carbon capture and storage network in Victoria's Gippsland region. The seminar covered gasification technologies ready for commercial deployment on Victorian brown coal, through to potential projects and markets and future research and development in brown coal.

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## ABOUT BROWN COAL INNOVATION AUSTRALIA

Brown Coal Innovation Australia (BCIA) is a not-for-profit, member-based company with a mandate to invest in the development of the future workforce and the technologies required to achieve a sustainable, low-emissions future for brown coal.

Established in late 2009, BCIA has received multi-million dollar funding from the Victorian government, through the Energy Technology Innovation Strategy, and the Australian Government, via a relationship agreement with Australia National Low Emissions Coal R&D (ANLEC R&D). The ANLEC R&D relationship agreement provides for BCIA to manage ANLEC R&D's brown coal energy research portfolio.

Australia has vast brown coal deposits; encompassing about a quarter of the world's known reserves. Innovation of improved technology for brown coal usage involves substantial costs, and time and investment in R&D has significant benefits for industry competitiveness and Australia's future economic prosperity.

BCIA funds and facilitates multi-million dollar research and skills development investments to drive innovation in the brown coal value-chain; from mine-mouth to the capture of CO<sub>2</sub>. Strategic management of its R&D investment portfolio underpins BCIA's innovation support and operational activities.

BCIA innovation funding supports research and development initiatives that are technically excellent and that will lead to increased commercial deployment of low-emissions brown coal technologies in the short, medium and long term.

Beyond emissions reduction, current and future international price indications for oil, gas and metallurgical coal provide new exploitation opportunities for the conversion of brown coal to liquids and other high-value commodities. BCIA's research investment objectives are:

- to advance and accelerate innovative technologies in Australia by supporting focused, collaborative research in high priority technologies
- to retain local expertise in, and attract international expertise to, Australia in support of investment in brown coal-related technologies
- to support growth in skills and capacity in Australian brown coal-related technologies for the domestic and international markets
- to make the results of that research available, as appropriate and respecting intellectual property, to BCIA's funders and to the Australian public.

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