



MEDIA RELEASE

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Clean coal project achieves significant milestone

ZeroGen, Australia's most advanced clean coal power demonstration project, has achieved another significant milestone with the completion of the first stage of its test drilling program.

The ZeroGen Clean Coal Power Demonstration Project aims to enable deep cuts in carbon dioxide (CO₂) emissions to the atmosphere by combining the technologies of Integrated Gasification Combined Cycle (IGCC) and CO₂ Capture and Storage (CCS). This technology will also be instrumental in leading us towards the hydrogen economy.

The first phase of ZeroGen's test drilling, Drilling Program One (DP1), involved the drilling of two wells of depths in excess of one kilometer.

ZeroGen Project Manager Chris Wheeler said the DP1 results delivered significant learnings in the analysis of geology.

"DP1 has provided sufficient confidence that we can safely inject and store CO₂ into saline reservoirs in the Northern Denison Trough in Central Queensland.

"The results we received were promising, and will assist in locating reservoirs suitable for the safe, long-term storage of CO₂, which is fundamental to any clean coal technology," Mr Wheeler said.

"Having achieved this milestone, the Board of ZeroGen Pty Ltd has approved the second phase of test drilling, Drilling Program Two (DP2), to identify a reservoir with sufficient capacity for the project."

Mr Wheeler said other objectives of DP2 are to investigate the cost considerations associated with on-shore CO₂ storage as well as monitoring and verification techniques.

"One of the fundamental objectives of ZeroGen is to reduce risk and facilitate the commercial deployment of clean coal technology through the transfer knowledge in all areas of the technology that can be applied to similar projects around the world," Mr Wheeler said.

DP1 was undertaken by Stanwell Corporation Limited with technical expertise provided by Shell Development (Australia) Limited, a world leader in CO₂ sequestration, and a number of Queensland firms.

The next phase of investigations will be managed by Stanwell Corporation Limited and will be undertaken in collaboration with Shell, Sunshine Gas, MBA Petroleum Consultants and AGR Asia Pacific.

Enquiries

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ZeroGen Pty Ltd is owned by the Queensland Government and Stanwell Corporation Limited is the main service provider for the feasibility study.

The feasibility study is expected to be completed by late 2008 and involves: further test drilling (DP2); an Environmental Impact Statement; the CO₂ pipeline route identification; native title and cultural heritage negotiations; and extensive stakeholder engagement.

Further information about ZeroGen's test drilling program and other project elements can be found at www.zerogen.com.au.

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