



MEDIA RELEASE

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Oxyfuel demonstration passes 3,500 hours

The Callide Oxyfuel Project is now more than six months into a demonstration of how oxy-firing technology can be applied to an existing coal-fired power station to generate electricity with significantly lower emissions.

The \$235 million project involved retrofitting CS Energy's Callide A Power Station in central Queensland with oxyfuel technology and a cryogenic carbon dioxide capture plant.

The oxyfuel process involves burning coal in a mixture of oxygen and recirculated exhaust gases, instead of air, and results in a concentrated stream of carbon dioxide which is suitable for capture and storage.

The Callide Oxyfuel Project entered the demonstration phase in December 2012, following the completion of construction of the oxyfiring and carbon capture plant, and its successful commissioning.

Since then, Callide A has operated in oxy-firing mode for more than 3,500 hours and the carbon capture plant has achieved 1,000 hours of industrial operation.

Project Director Chris Spero said the demonstration was progressing well to date.

"Our main objectives are to demonstrate the technology in an electricity market environment, determine technical merits and scale-up issues, and assess costs for future deployment," Dr Spero said.

"Projects such as the Callide Oxyfuel Project are essential if we are to test leading edge technologies for future application at commercial scale."

An additional \$27 million in Australian Government and Partner funding has been confirmed to extend the project's operation to the end of 2014 to meet demonstration objectives of 10,000 hours of operating in oxyfiring mode.

The Callide Oxyfuel Project is one of only a handful of coal-fired low emission projects in the world to move beyond concept into construction.

The Callide Oxyfuel Project is a joint venture between CS Energy, the Australian Coal Association, Glencore Xstrata Coal (formerly Xstrata Coal), Schlumberger, and Japanese participants, J-POWER, Mitsui & Co., Ltd., and IHI Corporation.

The project was awarded \$63 million from the Australian Government under the Low Emissions Technology Demonstration Fund and has also received financial support from the Japanese and Queensland governments and technical support from JCOAL.

For more information on the project, visit www.callideoxyfuel.com.au

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