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\$275 million to supercharge Queensland energy sector and jobs

MEDIA RELEASE

The Morrison Government's economic plan is supercharging Queensland's energy and resources sectors to create thousands of new jobs, support existing industries and expand export opportunities for the entire state.

Two new hydrogen hubs will be established, with one in Townsville in North Queensland and the other in Gladstone in Central Queensland. Three early-stage development project grants will also be funded.

In addition, six carbon capture utilisation and storage projects will be supported by the Morrison Government across Gladstone and the Surat Basin to help reduce emissions from power generation and heavy industry.

The Morrison Government is committing over \$275 million to these clean hydrogen and carbon capture projects bringing the total private and public co-investment for Queensland to more than \$535 million.

Prime Minister Scott Morrison said more than 5,700 jobs are set to be created in Queensland when the projects are operational from 2025, with even more possible when the industry scales up.

“We are backing Queensland to play a leading role in Australia’s emerging hydrogen industry, to build a strong economy for a stronger future,” the Prime Minister said.

“Queensland has got the goods, it has the natural resources that the world wants and the skills and know-how that are needed to seize new opportunities.

“Ensuring affordable and reliable energy, while meeting our emissions reductions targets, is key to our national economic plan.

“Queensland is playing an important role in delivering on our economic plan by supercharging the state’s position as a global energy powerhouse, growing export opportunities and creating thousands more jobs, particularly in regional Queensland.

“There is a clear choice at this election and Australians can vote for a stronger economy under the Coalition or a weak economy under Labor with higher taxes and real consequences on your mortgage repayments, grocery bill and household budget.”

Minister for Industry, Energy and Emissions Reduction Angus Taylor said the range of these projects demonstrates Queensland’s ability to use existing skills from its world-class liquified natural gas (LNG) industry.

“Queensland has great potential to become a clean hydrogen producing powerhouse, with its access to local low-cost gas, carbon capture opportunities and renewables potential,” Minister Taylor said.

“There is a lot of interest in both Gladstone and Townsville from key hydrogen consumer countries including Japan and Korea. Today’s announcement will help to secure this important international investment and partnership into regional Queensland communities.

“We can also help to make our LNG sector even more attractive to our international customers through proving up affordable and world-leading carbon capture technologies. This will not only reduce emissions from LNG production, but can also capture emissions from other processes such as electricity generation or cement production.

“Our support will ensure Queenslanders and all Australians can benefit from a new clean hydrogen industry.”

A re-elected Coalition Government is committed to delivering up to \$70 million to establish a clean hydrogen hub in Townsville.

In addition, the Government is delivering up to \$2.4 million for Ark Energy H2 Pty Ltd’s Han-Ho H2 Hub Feasibility Study, with a total project value of more than \$4.8 million.

The Government will also invest in hydrogen projects in Gladstone:

- Up to \$69.2 million to establish Stanwell Corporation Limited’s The Central Queensland Hydrogen Hub (CQ-H2 Hub), with a total project value of more than \$148 million
- Up to \$1.25 million for Origin Energy Future Fuels Pty Ltd’s Origin & ENEOS MCH Gladstone Project, with a total project value of \$2.5 million
- Up to \$3 million for Vena Energy Services (Australia) Pty Ltd’s Euroa Energy Project, with a total project just over \$6 million
- Up to \$44.9 million for Fortescue Future Industries’ Green Hydrogen Gigafactory – Electrolyser Manufacturing Facility at Aldoga in Gladstone, with a total project value of \$136.2 million.

As part of our investment in carbon capture technology the Government is committing:

- \$25 million in funding, matched by industry, for Australian National Low Emissions Coal Research and Development (ANLEC R&D) to assess the feasibility of a zero emissions Allam-Fetvedt Cycle dispatchable generator in the National

Electricity Market

- Up to \$20 million for CTSCo's Surat Basin Hub Scale Storage Appraisal and Development Project, with a total project value of \$50 million
- Up to \$15 million for CTSCo's Surat Basin Test Injection Project, with a total project value of \$50.3 million
- Up to \$15 million for Bridgeport (Surat Basin) Pty Ltd's Moonie CCUS Project, with a total project value of \$42.5 million
- Up to \$5 million for KC8 Capture Technologies Ltd's Potassium carbonate absorption for clinker emissions reduction (PACER) project, with a total project value of \$12 million
- Up to \$5 million for a feasibility study for the Zero Degrees Rosella 1's zero emissions Allam-Fetvedt Cycle generator and hydrogen production project, with a total project value of \$32.7 million.

Clean hydrogen exports could directly support 16,000 jobs by 2050, plus an additional 13,000 jobs in renewable energy infrastructure construction. Clean hydrogen production for both export and domestic use could generate more than \$50 billion in additional GDP by 2050.