



## MEDIA RELEASE



### **Solid Energy secures access to upgrading technology**

Solid Energy has signed an agreement with innovative Australian company, Ignite Energy Resources Pty Ltd (IER) securing the exclusive New Zealand rights to a technology which converts low energy feedstocks, such as lignite and biomass, to high-grade coal and synthetic crude oils which have the potential to be upgraded to transport fuel.

The binding heads of agreement will lead to a licence agreement, worth up to A\$15 million, plus royalties. Solid Energy and IER will work together to further develop and commercialise the technology and will construct and commission a pilot plant able to process lignite and biomass in New Zealand. The commercial pilot plant, in a yet to be determined location, will be capable of expansion to a 1 million tonnes per annum facility.

IER is currently converting lignite to synthetic crude oil and high-grade coal at a pilot plant in Somersby, New South Wales, Australia. The high-grade coal produced has the potential to be used in the steel making process.

Solid Energy's General Manager New Energy, Brett Gamble, says: "This is a very exciting development for Solid Energy. While the technology is still to be proven at commercial scale, it has great potential for our Southland lignite and biomass resources, which together with the production of first generation technology biofuels are significant and developing areas in the company's portfolio."

IER Chief Executive Officer, Dr Len Humphreys, says: "We're delighted to be working with a large-scale resource company like Solid Energy which has shown it has world-class skills which will help Ignite rapidly accelerate the commercialisation of our technology."

Solid Energy is currently investigating several technologies for converting its substantial lignite resources in Southland to energy forms and products. This includes developing a lignite-briquetting plant near Matakana with GTL Energy and assessing the viability of a lignite-to-urea plant in Southland with Ravensdown.

Brett Gamble adds: "We're progressing all our Southland lignite projects in parallel as there are sufficient resources in Southland to accommodate our briquetting plant, coal to fertiliser project, lignite to transport fuel project and many others besides. The key to the success of all of these is to find the technologies which can best be applied in New Zealand."

“Solid Energy developed a bioenergy strategy some years ago and has established biomass and biofuels businesses, producing wood pellets at Taupo, Rotorua and Christchurch and biodiesel, from raw and recycled canola oil, at Christchurch. IER’s technology can equally be applied to biomass to produce a biocrude. The application of this technology to biomass could give us a huge step up in advancing the production of third generation technology biofuels.”

IER’s unique proprietary technology converts low-value feedstocks into high-value oil and coal products using both ancient biomass (lignite) and modern biomass (for example, plant waste).

Headquartered in Melbourne, Australia with operations in Sydney, Australia, and in the United States, IER aims to build commercial-scale supercritical water reactors throughout the world.

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