



World-first gas project for Far North

CAMERON ENGLAND

LINC Energy says it will build the world's first commercial underground coal gasification (UCG) plant near Orroroo, in as little as 18 months.

The Brisbane-based company announced yesterday its first drilling program had identified an exploration target of 1-1.3 billion tonnes of coal, but chief executive Peter Bond said Linc was sure there was enough coal there to support a commercial power and liquids plant.

The company previously has said that it plans to invest up to \$1 billion building several coal-to-liquids plants in South Australia's Far North.

Mr Bond said Linc would start ramping up its South Australian presence, with

its small office to expand to 20-30 people in the near term, then up to 80 over the next year.

A further 1000-1200 jobs would be created if the company's proposed power project, which could produce up to 500MW of power and 20,000 barrels of synthetic fuel a day, was to go ahead.

Mr Bond said the company's drilling results were "fantastic", and the site had all the attributes needed to site a UCG operation. "By that, I mean great coal, at ideal depth, excellent coal seam thickness, good geology and flat terrain," Mr Bond said.

"The deposit can support significant production of low-cost synthetic gas for power generation and syn-

thetic fuels gas-to-liquids production for a generation or more. With Orroroo's close proximity to Adelaide and with good access to port and power transmission infrastructure, the location is just about perfect for what we are planning to achieve."

In UCG, coal is partially combusted underground, producing a synthetic gas which can be used to produce heat or generate electricity, or it can be used as a feedstock for gas-to-liquids processes.

The centre of Linc's coal resources is about 6km north of Orroroo, and about 40km from 275KV electricity transmission lines. The company could build its first-stage project in six to seven months.

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Adelaide Advertiser
Saturday 7/11/2009
Page: 79
Section: Business News
Region: Adelaide Circulation: 256,134
Type: Capital City Daily
Size: 316.98 sq.cms.
Published: MTWTFS-

Brief: LINC_SPOKE
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CONFIDENT: Linc Energy's Peter Bond. Picture: BRUCE LONG