

## Our Commitment to Public Consultation

One of our highest priorities is to establish an effective ongoing communications and consultation process. The process will achieve widespread stakeholder engagement and the active sourcing of feedback, for consideration in our planning studies.



Hybrid Energy Australia is currently identifying the expansive portfolio of project stakeholders in order to commence its Stakeholder Engagement Program.

Every stakeholder, including local landowners, the Kingston community and the wider general public, will be able to review and comment on the FuturGas EIS through our commitment to open community consultation and active sourcing of feedback. The EIS will also be assessed by the relevant government authorities and interested parties.

Government, community and agency comment will also be actively sought in developing the company's Development and Planning Application.



## Project Benefits

Hybrid Energy Australia's FuturGas Project will:

- provide an unique opportunity to develop an environmentally responsible liquid fuels and power generation initiative based on commercially proven low-emissions technology;
- provide a pathway to zero emissions through the subsequent development of carbon dioxide capture and storage technology;
- provide a secure supply of electricity utilising a substantial coal resource; and
- produce quality liquid fuels that will contribute to Australia's liquid fuel transport requirements.



For further general information on the proposed FuturGas Project, please visit the company's website.

If you would like to contribute feedback and receive communications through our Stakeholder Engagement Program, please lodge your details with our Communications and Administration Manager Rachael Galwey:

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# The FuturGas Project

a low-emissions initiative for SA



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## About Hybrid Energy Australia

Hybrid Energy Australia is a new, innovative energy conversion company, committed to producing quality liquid fuels and generating low-emissions electricity in an environmentally and socially responsible manner.

We are a wholly-owned subsidiary of the ASX-listed and Perth-based oil and gas exploration and production company Strike Oil Limited. Our headquarters are based in Adelaide's Central Business District in South Australia.

## About the FuturGas Project

The FuturGas Project is Hybrid Energy Australia's initiative to develop a world-leading coal-to-liquid fuels and low-emissions power generation project based on an extensive JORC<sup>(1)</sup> compliant lignite (coal) resource near Kingston in South Australia.

The FuturGas Project is currently within its early Feasibility Study phase, and it has the potential to play a key role in meeting Australia's growing demand for reliable clean power sources and quality liquid transport fuels. The project will also incorporate the development of carbon dioxide capture and storage technology resulting in very low carbon dioxide emissions from the facility.



## The FuturGas Project Scope

An initial Scoping Study completed in 2007 assisted in developing the detailed scope to commence the FuturGas Feasibility Study, which is earmarked for completion in 2010. The Feasibility Study will include a joint testing program with the University of Adelaide to identify efficient methods for the optimal utilisation of the Kingston lignite. Also, a wide range of studies will be undertaken by independent specialist consultants – to define the future configuration of the FuturGas Project.

Following the Feasibility Study and subject to necessary approvals, it is planned for the FuturGas Project to commence with the development of a surface mine which will be progressively rehabilitated. The Project will include the development of both a coal-to-liquids conversion facility and a low-emissions power generation plant which will comprise the FuturGas facility – as well as next generation technology that will capture, transport and store carbon dioxide emissions from the FuturGas facility. The exact order and timing of the Project will be determined following the completion of the Feasibility Study in 2010 and the FuturGas Environmental Impact Study (EIS) during 2011.



The coal-to-liquids conversion plant will utilise gasification technology which will convert the Kingston lignite to syngas (synthetic gas) by using oxygen and steam. There are a number of conversion opportunities for the synthetic gas that is produced through the gasification of coal. Producing transport fuels is one of the options that will be evaluated as part of the Feasibility Study. The diesel produced by this process would be ultra-low in sulphur so will have many of the environmental benefits claimed for bio-diesel.

## The Resource

Hybrid Energy Australia holds petroleum and mineral exploration licenses over a 578 million tonne JORC<sup>(1)</sup> compliant lignite resource. This deposit is located 250km South East of Adelaide near Kingston.

The Otway Basin to the south of the lignite resource is also host to deep naturally occurring underground geological structures. These localised underground structures have the potential to store captured carbon dioxide emissions from the planned FuturGas generation and gasification facility – thereby achieving our targeted pathway from low, to near zero emissions.

## Protecting the Environment

We are committed to protecting our State's native environment and water resources – in line with local regional initiatives – as well as undertaking to target low carbon dioxide emissions into our atmosphere.



Hybrid Energy Australia is aware and very conscious of the concern around water resources in the South East region.

The extensive range of independent studies to be carried out as part of the FuturGas Feasibility Study will assist with the development of the comprehensive FuturGas EIS. The EIS will identify the potential environmental, social, cultural and economic impacts of the proposed development. It will also highlight potential solutions to enhance the local environs while contributing to the State's need for reliable power and transport fuels, with effective low-emissions electricity generation capability and liquid fuel production.

Once the FuturGas Feasibility Study is completed in 2010, stringent Environmental Management Plans addressing each stage of project construction and operation will be prepared for continual monitoring. Ongoing community consultation will remain a high priority.

(1) The JORC Code provides minimum standards for public reporting to ensure that investors and their advisers have all the information they would reasonably require for forming a reliable opinion on the results and estimates being reported.

