

GOVERNMENT INJECTS \$8.64 MILLION INTO NEW BIOREFINERY FOR MACKAY

The Palaszczuk Government has announced \$8.64 million assistance for Mackay's proposed \$50 million biorefinery to help accelerate the project's development and construction.

Treasurer Curtis Pitt said the initiative could create up to 115 jobs and would position the Mackay region as an emerging bio-industry hub.

"The proposed facility to potentially be co-located at Mackay Sugar's Racecourse Mill, subject to formal documentation being agreed, would deliver up to 70 construction and 45 skilled operational jobs and attract significant investment and further jobs in the region," Mr Pitt said.

"It is a game changing concept for Mackay and exactly the type of project we've been targeting to generate jobs and economic activity in Mackay.

"BPA complements the Mackay region's existing industries and technical expertise, so I am very excited by the investment prospects of this biorefinery, with construction scheduled to commence next year.

"BPA's planned commercial-scale facility would have capacity to annually produce up to 26,000 tonnes of soymeal, 2000 tonnes of yeast products for the animal feed market and 15 mega litres of biodiesel suitable for heavy transport industries.

"We have acted quickly to provide this decision at an early stage in BPA's planning so that the company has the financial and Government support it needs to prioritise the establishment of a biorefinery in Queensland.

"We were not prepared to stand by and see this invaluable project go offshore to somewhere like Singapore or Malaysia, which BPA had been considering.

"But we have put sensible commercial conditions on the funding to ensure it delivers and we will be releasing the funding in stages on the completion of agreed construction milestones."

Minister for State Development Dr Anthony Lynham said the \$8.64 million funding would come from the \$130 million Jobs and Regional Growth Fund.

"The Palaszczuk Government has beaten out international competition to reach agreement with Bio Processing Australia to pursue Mackay exclusively as the potential location for a new integrated biorefinery," Dr Lynham said.

"Now that Mackay is the preferred site selection, BPA will complete a full feasibility study with a view to making a final investment decision and potentially commencing construction of the biorefinery in 2018.

"By supporting this project the Palaszczuk Government is directly investing in the economic diversification of Mackay's economy to increase local employment and deliver improve environmental outcomes for Queensland.

"The facility is expected to allow BPA to expand exports of its high-value selenium yeast product to Asia and other international markets.

Member for Mackay Julieanne Gilbert said it was a massive win for the region.

"It's no secret that this region needs more jobs and I am proud to be part of a government that has made job-creation its driving focus," she said.

"The project's oil seed crushing plant is likely to establish large-scale soy bean cash cropping in the Mackay region, creating an additional income stream for local sugarcane farmers.

“Commercial soy bean production is also expected to create further jobs in the agriculture, transport and logistics sectors of the Mackay region.

“Soy bean production on fallow sugar cane land improves soil regeneration and has been shown to reduce sediment and inorganic nitrogen run-off to Great Barrier Reef waterways.

Member for Mirani Jim Pearce said the Palaszczuk Government has been driving the move to a clean energy economy.

“BPA’s project is the latest bio-products facility to come to Queensland as we strive to realise our vision for a \$1 billion sustainable and export-oriented industrial biotechnology and bioproducts sector by 2026,” Mr Pearce said.

“By supporting the establishment of biofuel plants here in Mackay we are ushering in a new era of innovation, investment and opportunity into our region.

“I’m a lot more confident this year will be a good year for jobs in our area because our policies look to the future and support the development of new industries that will deliver new jobs for generations to come.

“BPA’s production of biodiesel in Mackay would likely support Queensland’s biobased diesel mandate, which now requires 0.5 per cent of all diesel fuel sold in Queensland to be biobased diesel.”

BPA’s Mackay facility will comprise three elements:

- A yeast producing plant that will produce 2,000 tonnes per annum of high value yeast products, primarily for Asian animal feed consumers.
- An oilseed crushing plant that will produce 30,000 tonnes per annum of non-food grade vegetable oil. Co-products such as soy and sunflower meals to be directed at Queensland-based pastoral consumers
- A 15 mega litre per annum biodiesel plant producing trans-esterified B100 biodiesel for the transport fuels market.

Bio Processing Australia CEO John Lockhart welcomed the Government’s investment in the project’s Mackay operation.

“I’d like to thank the Government for working constructively with us to make this project a possibility,” he said.

“The Queensland Government’s support will enable us to explore, develop and commercialise biofuel and food biotechnologies here in Mackay.

“The government, like BPA, has identified that regional Qld has abundant resources for the modern bio-economy and their biofutures strategy is closely aligned to our own aims – using resources wisely to improve economic interests whilst improving the environment.

“There are global markets demanding our products and expertise, so this is really the start of something that can be an exciting boost for the region.”

The Queensland Government also attracted Southern Oil Refining’s investment to build a \$16 million advanced biofuels pilot plant at Yarwun, near Gladstone.

The plant could be expanded to a large commercial-scale refinery producing 200 million litres of advanced biofuel per annum, suitable for military, marine and aviation use. The pilot plant was commissioned this month.

The Queensland Government is continuing with its Biofutures Acceleration Program, for the development of new or expanded commercial-scale biorefinery projects.

Additional potential biorefinery projects are expected to be announced for regional Queensland in the coming months.

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