



Media Release

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Hunter Valley biofuel facility to advance ethanol production

The Australian Renewable Energy Agency (ARENA) today announced \$11.9 million in funding for Australian biofuel company Ethtec Limited ('Ethtec') to complete the development and demonstration of its groundbreaking advanced biofuel technology.

As part of a \$48 million project, Ethtec aims to construct a \$30 million purpose built pilot-scale facility based in the Hunter Valley in New South Wales.

On behalf of the Australian Government, ARENA's funding will go towards the completion of the pilot demonstration plant which will produce ethanol from a range of non-food waste plant matter left over from crop harvesting and forestry.

Ethtec has developed an innovative and cost-effective approach to production of bioethanol from a range of waste or low-value products including sugarcane bagasse, forestry residues and cotton gin trash known as lignocellulosic biomass.

All of Australia's ethanol is currently first generation, sourced from wheat and sugarcane, while second generation ethanol is derived from inedible plant waste.

ARENA CEO Ivor Frischknecht said the next phases of the project were important in making advanced biofuels a viable option to support emission reduction for the transport sector.

"Advanced biofuels provides an exciting opportunity for Australia to open up export avenues and also help reduce emissions from the transport sector.

"Ethtec's facility in the Hunter Valley will demonstrate a new and innovative process for the production of bioethanol, gaining pivotal research and development experience that will lead to the commercialisation of the process and position Australia as a leader in advanced biofuels," Mr Frischknecht said.

"The global demand for biofuels is expected to triple by 2050, with most of the growth to be met by ethanol so technological breakthroughs that make producing ethanol from waste more efficient is game changing," he said.

Ethtec's Chief Scientist Dr Russell Reeves said ARENA's support was pivotal to the project, which has also secured \$11.9 million in matching funding from leading industry partner

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Jiangsu Jintongling Fluid Machinery Technology Company Limited.

The world-leading facility will partner with researchers from the Newcastle Institute for Energy and Resources at the University of Newcastle and is also receiving support from Muswellbrook Shire Council.

“An ethanol fuel industry based on lignocellulosic biomass can significantly reduce greenhouse gas emissions from the transport and industrial sectors, create opportunities for regional and rural communities, make crop and forest production more economical and assist in land rehabilitation,” Dr Reeves said.

“With the support of the Australian Government, we are hoping to engineer a more cost-competitive process for producing ethanol that will make use of existing biomass materials and create a world-leading facility for advanced biofuels,” he said.

For further information, visit arena.gov.au and arena.gov.au/blog

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