



Fortescue takes 'milestone step towards green shipping' amid iron ore hit

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Highlight: Iron ore shipments of 43.3 million tonnes were six per cent lower than previous corresponding quarter because of the ore derailment in late December and weather disruptions.

Body

Green energy pioneer Andrew Forrest's **Fortescue** says it is on track to produce its target of 50 million tons of hydrogen by 2030 after converting and gaining world-first certification for a ship running on a mix of green ammonia and diesel.

The company successfully converted a Singapore-flagged vessel, **Fortescue** Green Pioneer, to run on dual-fuel green ammonia, gaining world-first certification for the technology, said Mark Hutchinson, who heads up the **Fortescue** Energy division.

"This is a huge milestone and brings us one step closer to green shipping," he said.

The iron ore miner and green energy producer reiterated it is expected to meet its key 2030 decarbonisation targets. "We totally believe we're going to get there," Hutchison said, and the company's large green hydrogen projects in Norway and Brazil will "prime the pump" for production.

"They're progressing well," he said. "Into the 2030s, we believe there's going to be a massive demand for the product."

Green hydrogen, made by using a renewable energy-powered electrolyser to split water into hydrogen and oxygen, is seen as a viable alternative to carbon-emitting fossil fuels in heavy transport, heating, and power generation. However, it is still prohibitively expensive to produce.

Fortescue is also pushing ahead with decarbonising its fleet of diesel-guzzling iron ore mining vehicles in the Pilbara. It now has three electric excavators operating and says converting its entire excavator fleet to electric will cut diesel use by 95 million litres every year.

The miner's iron ore shipments slowed over three months to March, down six per cent to 43.3 million tonnes due to a derailment late in December and weather disruptions in January and February, **Fortescue** Metals chief Dino Otranto said in a quarterly update on Wednesday.

However, he said shipments hit a record level in March as the company focused on recovering its output. Guidance for total financial-year shipments remains unchanged, but will be at the lower end of the expected 192 to 197 million tonne range.

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The company's crucial high-quality Iron Bridge project is facing significant problems with a faulty water pipeline and plant teething issues slowing its output. Work is under way to replace a high-pressure section of the pipeline and improve its performance. The mine's process plan was reconfigured to deal with the water supply issues. "We've got a process under way, I won't get into too many details of it," Otranto said.

He said China's steel demand was becoming increasingly diversified, with strong growth across infrastructure, manufacturing and renewable energy sectors. "China's rollout of wind and solar capacity blew my mind," Otranto said after a recent visit to the Asian powerhouse. "Renewable energy infrastructure needs a lot of steel."

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