



Fortescue to roll out more electrolyser plants after Gladstone

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Byline: Matt Bell

Body

Andrew Forrest-backed mining giant **Fortescue** plans to ramp up its green ambitions and roll out hydrogen electrolyser manufacturing facilities into more locations after launching its first in Queensland.

The 15,000sq m advanced manufacturing facility in Gladstone, which was officially opened on Monday, has the capacity to produce more than 2GW of proton exchange membrane (PEM) electrolyser stacks annually.

The company, which counts billionaire Mr Forrest as its largest shareholder, expects the first electrolyser stacks to be rolled out commercially from 2025 and is in talks with interested parties globally as it looks to build its order books.

Fortescue Energy chief executive Mark Hutchinson told The Australian that the company would look to roll out more electrolyser manufacturing facilities but not in Australia, adding that the US was at the top of its wish list.

"We'll definitely do one in the US because the IRA (Inflation Reduction Act) incentives to do this in America are enormous. And then other countries that also have the ambition to do exactly the same," he said.

Mr Hutchinson said the technology behind the manufacturing process for electrolyzers made it easy to roll out in any country that wanted to work with **Fortescue**.

"The beautiful thing about (this facility) is it's fully automated. We can do it anywhere," he said.

"You don't have to think about labour or train people, so you just build a fully automated facility and off we go." **Fortescue** will now test the technology as it looks to slowly ramp up the facility to reach its peak capacity of more than 2GW and did not expect customers to receive orders until 2025.

"We're building a test facility which will hopefully be in production, which will make hydrogen from about September, October this year.

And then we've actually got to do it at an industrial scale," Mr Hutchinson said.

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"Realistically, it's going to be 2025 (until the product is rolled out commercially) by the time we get the testing done and the sales and we make them," he said.

The Queensland government, which held its cabinet meeting on the factory floor on Monday, signed off on the next stage, PEM50.

It will use the locally made PEM electrolyzers to produce green hydrogen for local and export markets.

Once operational it will be the first commercial-scale green hydrogen facility for **Fortescue**.

Federal Industry and Science Minister Ed Husic told The Australian that the **Fortescue** site would play a pivotal role in Australia's transition to net zero and opened the door for more businesses locally and internationally to invest in the space.

"It shows regional Australia has a role to play in the transition to net zero in manufacturing. And that's the big thing for me, is to see that opportunity spread out. We want everyone to pitch in from all corners of the country," he said.

"The (**Fortescue** sites) are important examples that businesses and other sections of industry can see what can be done. It is a signal to send about the capacity for regional Australia and to get the job done." Mr Hutchinson said all options were on the table as **Fortescue** looked for further opportunities in the energy transition space.

"Fundamentally, our view is that with the green molecule coming, everything gets disrupted. So theoretically, you look at any industry, and it's going to be disruptive," he said.

"We're going to be the shift business and we're going to be in the cable business, and we're going to be in maybe a lot of other business.

"We are looking at everything." It's a busy time for **Fortescue** as it continues to pivot away from its reliance on iron ore.

Green hydrogen hopeful Sparc Technologies and its joint venture partners, including **Fortescue** Future Industries, are also progressing plans to begin construction of a multimillion-dollar pilot plant in the coming months. FFI paid an initial \$1.8m for a 20 per cent stake in 2022.

ASX-listed Sparc's hydrogen subsidiary aims to commercialise its photocatalytic water splitting technology which can convert water into hydrogen and oxygen using the sun and a photocatalyst.

The plant is expected to take six months to build.

Shares in **Fortescue** rose 0.3 per cent, or 8c, to close at \$24.86 on Monday. The reporter travelled to Gladstone as a guest of **Fortescue**.

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