

## FuturGas Project To Focus On CTL

Strike Oil subsidiary Hybrid Energy Australia has advanced its FuturGas project, to incorporate a coal-to-liquids (CTL) gasification facility and plans to evaluate carbon capture and storage (CCS) technology.

The project, to be located near Kingston in South Australia, incorporates a 578 MM t Joint Ore Reserves Committee (JORC) compliant lignite resource, which is ideally suited to the gasification process.

Also included is a technology development agreement with the University of Adelaide to define the process and conditions required for

utilising the Kingston coal in the gasification process.

The first phase of gasification testing is planned for completion in August 2009.

The company anticipates that 30 years of FuturGas production will amount to 100 MM bbl of liquid fuels utilising approximately 100 MM t of lignite, with the capacity to produce 10,000 bbl/d of liquid fuels to generate A\$450 MM.

Strike's managing director Simon Ashton said "CTL projects have now come to the forefront in Australia due to the rapidly diminishing

domestic oil production coupled with very large increases in the oil price."

The company said that potential CCS geosequestration reservoirs for the project lie 75–200 km to the south of Kingston in the Otway Basin.

The pre-feasibility study for the project is planned to reach completion by the end of the first quarter 2009, with finalisation of all key feasibility issues completed by mid-2010 and the completion of bankable feasibility by the end of 2012.

Strike also plans to enter into off-take agreements for the project in the second quarter of 2010. ■