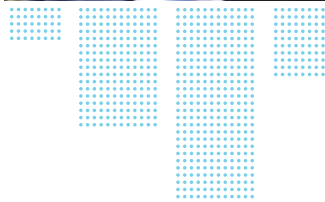


CHIEF EXECUTIVE'S REPORT



During the reporting period, CO2CRC focused particularly on developing our 'prospectus', *CCS Technology for the 2020s: CO2CRC Strategic Research Program 2015–2020*. The plan presents an ambitious program of future work and has been instrumental in securing more than \$45 million from industry and state and federal governments for research operating expenditure through to 2020.

In addition, CO2CRC signed a \$51.6 million contract with the Australian Government for education infrastructure, such as laboratories and equipment for CCS research. Many of these assets will be established in our research partner institutions; some will form part of the infrastructure at the CO2CRC Otway Project.

New assets and operating funds will allow CO2CRC to continue to lead world class research activities, contribute to international efforts to further develop CCS technology,

and safeguard the option to deploy CCS in Australia as climate change pressures become more intense in the years ahead.

During 2013–14, CO2CRC completed further trials of our UNO capture technology at the Hazelwood Power Station. Although the technology looks promising, it has not attracted the international partners required to develop it at industrial scale. For this reason, the rights to the technology have been transferred to the inventors, who now operate as UNO Technologies Pty Ltd. They will attempt to raise funds and/or form partnerships to develop the technology at a larger scale.

Some exciting new capture technologies emerged from other parts of the research program, including a highly efficient membrane for carbon dioxide (CO₂) capture, and insights were gained into CO₂ trapping and release mechanisms in zeolites. The latter has potential to lead to high selectivity separation methods using zeolite-related adsorbents. CO2CRC also worked with national stakeholders on a possible National Capture Research Facility to pool, and build on, national capture research assets and develop a plan for research access and investment.

Significant planning was completed for a suite of new projects at the CO2CRC Otway Project storage site. Projects starting in 2014–15 include studies on the geochemical interactions between stored CO₂ and the storage host rocks, and further work to assess residual saturation. A major new project will further our understanding of, and enable us to better model, how CO₂ plumes move and stabilise in the subsurface.

Working with Germany's Leipzig Institute for Applied Geophysics, CO2CRC completed a sophisticated new shallow seismic survey at the CO2CRC Otway Project site in November 2013. The findings

provided important insights into the application of shallow seismic to better understand shallow structures relevant to storage integrity. The data also provides a rich context for future research studies.

CO2CRC negotiated new collaboration arrangements with Canada, the European Union (EU), Korea, and the United Kingdom (UK). Among these is a memorandum of understanding (MoU) with the UK CCS Research Centre (UKCCSRC) on knowledge sharing, collaboration and exchange of students, which follows similar arrangements with Carbon Management Canada (CMC). As we move into the next phase of global CCS development, international collaboration will become increasingly important to advance the technology and build Australia's CCS knowledge base.

During the past five years, CO2CRC has experienced a challenging but ultimately rewarding time. My thanks go to outgoing CO2CRC Board Chairman Mr David Borthwick AO, PSM for his support and leadership during this period. David has made an enormously valuable contribution to CO2CRC, successfully overseeing the transition of Mark I CO2CRC to Mark II. I wish David all the best.

Finally, I am delighted that CO2CRC has attracted former federal Minister for Resources and Energy, the Hon. Martin Ferguson AM, to the role of Board Chair. Martin brings with him a wealth of knowledge of the energy and earth resources sector, and many connections that will benefit the organisation as we embark on the next phase of our research program. I look forward to working with him.

Dr Richard Aldous
Chief Executive