



Minister for Regional Development

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Media Statement

WA Government welcomes investment by Samsung Corporation in Collie.

The Western Australian Government has welcomed an announcement by Perdaman Chemicals and Fertilisers that the Samsung Corporation have become investors in their \$3.5 billion Coal to Gas Urea project in Collie.

Representing the Premier of Western Australia at an official announcement of the agreement the Minister for Regional Development Brendon Grylls said the Government has a strong commitment to attracting new investment especially in advanced processing industry as a key part of its strategy for developing regional economies and communities.

“I congratulate Perdaman Chemicals and Fertilisers on their project and welcome the Samsung Corporation as investors in a industry that will open a new chapter in the economic development of Collie.” Mr Grylls said.

“Not only will it provide an economic stimulus to the Collie region but the project will attract a construction workforce of some 15 hundred people and approximately 200 permanent employees.”

“Today’s announcement sets another very exciting precedent as the first major investment in downstream processing by a Korean company since the North West Shelf LNG.”

“The Western Australian Government has worked closely with Perdaman to secure this project, and in doing so, both the company and the State Government have set themselves challenging timelines.” Mr Grylls said

Perdaman has scheduled its financial close for the first half of 2010 with construction due to begin mid 2010 and the first shipment of urea in the third quarter of 2013.

When fully operational, each year the project will transform 2.7 million tonnes of bituminous Collie coal into over 2 million tonnes per annum of urea (fertiliser) primarily for export to India via the Bunbury Port.

- Its economic impact includes:
 - a construction workforce of 1,500 and approximately 200 permanent employees;
 - other jobs created in coal mining, rail transport, and at Bunbury Port and many others in support industries; and
 - exports will exceed \$850 million per annum.
- The project will also set many important precedents, including:

- Western Australia's first value adding to coal, other than electricity production;
- Australia's first commercially sized coal gasification project and Australia's first exporter of urea; and
- as Australia's first commercial demonstration of low emission coal technology, the project will be carbon capture and storage ready.

The site of the Coal to Gas Urea Project is at the Shotts Industrial Park which is located 7 km from Collie and is expected to be ready for development early in 2010.

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