

# Samsung invests in \$3.5bn urea plant

**Nicolas Perpetch**  
Coal gasification

AUSTRALIA'S first commercial coal gasification project has moved a step closer with Korean giant Samsung's investment of \$40 million in the \$3.5 billion Collie urea plant in southwest Western Australia.

Indian company Perdaman Industries now has the full \$500m in equity required for the sub-bituminous coal-to-urea plant and is confident it will also secure \$2bn in loans to start production by August 2013.

Perdaman chairman Vikas Rambal said gasification was a clean technology that would produce more than two million tonnes of urea fertiliser annually, worth

\$850m in exports to India and other Southeast Asian countries. The state's Conservation Council expressed concern at how the company would deal with the carbon dioxide emissions produced by the gasification process.

Nationals leader Brendon Grylls said it was an important milestone in downstream processing of natural resources for WA's southwest.

"It will be Australia's first commercially sized coal gasification project and Australia's first exporter of urea, and the project will be Australia's first commercial demonstration of low-emission coal technology," Mr Grylls said.

Samsung has already won the lead engineering contract for the plant.

Executive senior vice-president Chang Soo Kim said the company wanted to invest more in the state's natural resources.

Mr Rambal said Samsung's investment demonstrated the project, which still must secure environmental approval, was bankable and environmentally and technically feasible.

Conservation Council WA director Piers Verstegen said the project could increase WA's greenhouse gas emissions.

"We would be calling on them to commit to geosequestration or some other form of abatement in advance of the project going ahead, rather than just having a commitment to the investigation of those options," he said.