#### MEDIA RELEASE

## - ENBARGOED until 15:00 Friday, March 14, 2025 -

#### New Zealand's first large-scale biomass torrefaction facility announced

- A new biomass torrefaction facility due to be developed by Carbona in the Central North Island will produce 180,000 tonnes of torrefied biomass annually, accelerating New Zealand's transition away from coal and towards renewable energy
- The torrefaction facility is expected to create between 110 and 130 full-time jobs, delivering substantial economic benefits to regional New Zealand
- Once operational, the facility will contribute an estimated 439,000 tCO2e per year in carbon savings, making a tangible impact on New Zealand's emissions reduction targets

**Friday 14 March 2025 -** The New Zealand Government welcomes the announcement of a groundbreaking initiative to establish the country's first large-scale biomass torrefaction facility in the Central North Island. This facility, developed by Carbona, represents a significant step in New Zealand's transition to a sustainable, low-emissions energy future while supporting regional economic growth and job creation.

With an annual production capacity of 180,000 tonnes per annum of torrefied biomass, the facility will play a crucial role in helping New Zealand achieve its climate commitments, including net zero carbon emissions by 2050. Discussions are underway with Genesis Energy to assess the commercial viability of supplying biomass for Huntly Power Station as an alternative to coal.

Once operational, the torrefaction facility is expected to create between 110 and 130 fulltime jobs, delivering substantial economic benefits to regional New Zealand. The project's ownership structure includes local lwi, wood processing businesses, and international investors, reinforcing its strong local and global backing.

"Torrefied biomass is a potential game-changer for New Zealand's energy sector and industrial heat consumers," says David McGregor, Director at Carbona. "Offering a 30% higher energy density than traditional white wood pellets, torrefied biomass is ideally suited for use in existing coal-fired boilers due to its lower volatile content and hydrophobic properties, allowing for outdoor storage and improved handling."

Carbona has partnered with two leading Austrian technology providers, Polytechnik and Andritz. Together Andritz and Polytechnik have recently commissioned a 60,000 tonne per annum torrefaction facility at the Joensuu Biocoal facility in Finland. Polytechnik and Andritz are already active in New Zealand, bringing proven experience to support this landmark project. In addition to domestic applications, the facility opens doors to global export opportunities. International demand for torrefied biomass is rapidly expanding, with Japan alone forecasting demand between 15 and 20 million tonnes per annum. Carbona estimates that sustainable demand within New Zealand could exceed 1 million tonnes per annum, presenting a significant opportunity for future expansion.

The project is set to begin its design phase in mid-2025, with construction commencing in early 2026. Product commissioning is expected by late 2027, leading to commercial deliveries starting in early 2028.

"Once operational, the facility will contribute an estimated 439,000 tCO2e per year in carbon savings, making a tangible impact on New Zealand's emissions reduction targets," adds McGregor.

"This initiative underscores New Zealand's leadership in renewable energy innovation and strengthens the country's position as a provider of sustainable fuel alternatives for both domestic and international markets."

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### About Polycarbonisation Australasia t/a Carbona:

Carbona (www.carbona.nz) is a New Zealand company specialising in transforming biomass into a renewable energy source. Leveraging technology solutions from its Austrian parent company, Polytechnik, Carbona develops torrefied biomass as a 'drop-in' fuel to seamlessly replace coal in boiler plants. Beyond energy applications, Carbona's carbonised products, such as biocoal and biochar, have valuable uses in carbon capture, soil improvement, animal health, filtration, cement, and steelmaking. From feasibility studies to full-scale production, Carbona provides end-to-end solutions for torrefaction and carbonisation projects.

### About ANDRITZ GROUP:

International technology group ANDRITZ (<u>www.andritz.com/group-en</u>) provides advanced plants, equipment, services, and digital solutions for a wide range of industries, including pulp and paper, metals, hydropower, environmental, and others. Founded in 1852 and headquartered in Austria, the publicly listed group employs about 30,000 people at 280 locations in over 80 countries. As a global leader in technology and innovation, ANDRITZ is committed to fostering progress that benefits customers, partners, employees, society, and the environment. The company's growth is driven by sustainable solutions enabling the green transition, advanced digitalization for highest industrial performance, and comprehensive services that maximize the value of customers' plants over their entire life cycle. ANDRITZ. FOR GROWTH THAT MATTERS.

#### About Polytechnik:

Polytechnik Group (www.polytechnik.com), based in Weissenbach, Austria, builds on its experience from over 3,000 systems installed. Founded in 1965 as a small two-person business, it has evolved into a global leader in biomass technologies including combustion, gasification, carbonisation, and torrefaction. Our global clientele benefit from the expertise of around 240 dedicated employees, along with our innovative products and services offered through joint ventures and partnerships. With an export rate of 95%, we operate internationally and have established branches with carefully chosen partners in more than ten countries such as Switzerland, France, Germany, Hungary, Poland, Romania, China, and New Zealand.

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# Additional information for editors:



Torrefaction's main components by Andritz and Polytechnik, along with a 60,000 t/a operational plant in Europe.



Two of Polytechnik Biomass Energy's installations in New Zealand, which use biomass residues to fuel heat plants, have replaced existing coal boiler plants.