

LETA COMMITS \$3.48M TO ACCELERATE CARBON CAPTURE AT POSCO'S POHANG STEELWORKS

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Low Emission Technology Australia (LETA) will invest A\$3.48 million in a partnership with global steel giant POSCO's N.EX.T Hub to accelerate the development of carbon capture technology at the Pohang Steelworks in South Korea, one of the largest integrated steel plants in the world.

The project is designed to de-risk the technology choices and operating conditions for a much larger demonstration POSCO is planning, which aims to scale up the carbon capture process.

POSCO is the world's sixth-largest steelmaker and Australia's single largest export customer. Its 2050 Decarbonisation Roadmap targets a 30 per cent cut in emissions by 2035 and 50 per cent by 2040, with carbon capture central to reducing emissions from the existing blast furnace fleet while longer-term technologies like hydrogen-based ironmaking are commercialised.

LETA Chief Executive Mark McCallum said the investment reflected a clear-eyed view of what it takes to keep Australian resources competitive in a decarbonising world.

"Steel is the backbone of the global economy, and POSCO is Australia's single largest export customer," Mr McCallum said. "Helping them capture emissions at the mill is how we protect that trade relationship as the world moves toward lower-emissions pathways."

For Australian coal producers, the significance of the project lies in Scope 3 emissions, the downstream emissions created when exported metallurgical coal is used in overseas steel mills. Reducing those emissions at the point of combustion preserves demand for Australian coking coal while bringing down the carbon intensity of the steel it produces.

Once proven at commercial scale, the technology could be replicated across POSCO's steelmaking operations and at other steelmakers that rely on Australian metallurgical coal.

"This matters for Australian coal producers because it targets the emissions created when our exports are used overseas," Mr McCallum said. "If we can prove this technology at commercial scale in Korea, it can be rolled out across POSCO's operations and at other steelmakers that depend on Australian coking coal."

The partnership sits within LETA's broader strategy of investing alongside major international customers in the technologies they need to decarbonise heavy industry without walking away from Australian resources.

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ABOUT LOW EMISSION TECHNOLOGY AUSTRALIA

Low Emission Technology Australia (LETA) is a not-for-profit investment fund that accelerates the development and large-scale deployment of technology solutions to reduce and remove greenhouse gas emissions from critical industries like steel, cement and power generation.

LETA's investment in technology unlocks a faster, cheaper pathway to net zero for hard-to-abate industries that are critical to the economy, provide thousands of Australian jobs and support households every day.

Since 2006, LETA members have contributed more than \$400m to low emissions projects and unlocked a total investment of \$1.1b. LETA members recognise the crucial role of low emissions technologies in enabling a net-zero future for their industries, their customers, their workforces and Australian communities.