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Power-to-X powers ahead in Gippsland

Recycling, paper and packaging company Opal and renewables developer European Energy Australia, together with its subsidiary Ammongas, have taken the next step in their plan to bring innovative sustainable fuel solutions to Gippsland.

The companies today announced the beginning of a study at Opal's Maryvale Paper Mill that will assess the feasibility of carbon capture of biogenic CO₂. The study is expected to run until mid-2026 and will assess the technical and commercial viability of capturing biogenic CO₂ from the mill to develop e-methanol.

When combined with renewable energy and water, biogenic CO₂ can be used in the production of e-methanol; a low carbon fuel and alternative to fossil fuels that can be used in freight ships.

The Maryvale facility produces biogenic CO₂ as a by-product from one of its boilers. Biogenic CO₂ is carbon dioxide produced from natural sources; unlike fossil fuel-based CO₂, it is part of the natural carbon cycle.

The companies will now aim to capture, purify and liquify biogenic liquified carbon dioxide which can then be used as an input for European Energy's e-methanol manufacturing facility, or Power-to-X (PtX) plant, which could be located on the same site as the mill.

PtX is a technology that converts renewable energy and sustainable materials into sustainable fuels and clean chemicals that can then be used in industries that are difficult to decarbonise, such as shipping.

The feasibility study is part of European Energy and Ammongas' plan to bring their PtX and carbon capture technology to Australia. European Energy already has a PtX facility successfully operating in Kasso, Denmark, which is the world's first large-scale e-methanol facility and also the world's largest PtX plant.

European Energy Australia CEO Catriona McLeod said the company has ambitions to grow its PtX arm in Australia to complement its solar and wind farms.

“This is an exciting step forward for our PtX ambitions. We’re already up and running in Denmark and the Australian market has enormous potential to develop PtX,” said Ms McLeod.

“PtX not only offers huge potential to develop low carbon fuel but could also bring huge investment and innovation to places like Gippsland.”

Ammongas CEO Jaime Casasus-Bribian said it was an exciting opportunity to assess the feasibility for his company to use its proven expertise to advance biogenic CO2 capture and e-fuels in Gippsland.

“Australia combines strong resources, industrial heritage, and a commitment to clean innovation, making it an ideal environment for decarbonising hard-to-abate sectors such as shipping and manufacturing,” said Mr Casasus-Bribian.

“By potentially deploying our large-scale carbon capture and PtX technologies with Opal and European Energy Australia, we can unlock new value from local biogenic CO2 and drive the transition to green methanol.”

Opal General Manager Environment and Sustainability David Jettner said circularity remains a focus for Opal’s business.

“This study is another way to maximise the value from our use of renewable plantation wood. If the feasibility outcome is successful, it offers the potential for a multimillion-dollar investment in carbon capture in the Gippsland region,” said Mr Jettner.

European Energy currently supplies green methanol to companies including Maersk, Lego Group and Novo Nordisk. To learn more about European Energy’s PtX technology click [here](#).

Ammongas currently captures, purifies and liquifies biogenic CO2 from the Tønder biogas plant. To learn more about Ammongas click [here](#).

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