

Diversify or die: Lynham's warning for Queensland's economy

Cameron Atfield

A renewable energy project on the site of an old north Queensland gold mine could help lead the state into a post-coal energy future, State Development Minister Anthony Lynham said on Saturday as he warned a failure to diversify the state's economy could be disastrous.

Speaking at a meeting of the TJ Ryan Foundation think tank at the Queensland University of Technology, Dr Lynham said the transition to renewable energy was "beyond doubt".



The proposed solar and hydroelectric power station on the site of the Kidston gold mine, north-west of Townsville. Photo: Genex

And those behind the Genex project, about 270 kilometres north-west of Townsville, hoped they would strike gold at the Kidston mine once again, in the form of clean energy for Queensland's north.

Dr Lynham said the adjacent \$300 million 150 MW solar farm and \$282 million hydroelectric power stations would power the region 24 hours a day.



State Development Minister Anthony Lynham says economic diversification is vital.

Photo: Michelle Smith

It would do so by utilising the old pits at the Kidston gold mine site.

"There is a large pit on top of the hill and, on the bottom of the hill, there is another large pit," Dr Lynham said.

"They are going to have one of the biggest solar arrays in the state in this project and the magic is it's 24 hours, because in the daytime it will power Townsville through solar and, during the day, it will pump water from the bottom pit to the top pit.

"At night-time, that water runs down, providing hydroelectricity to Townsville. That will provide all of Townsville's and Cairns' peak power demands – all of it."

At 330 MW, the pumped storage hydroelectric project, which was being developed in parallel with the solar farm, was proposed to be Australia's third largest hydro power generator.

Last week, Genex was awarded an \$8.85 million grant from the federal government's Australian Renewable Energy Agency.

Genex managing director Michael Addison said the grant would help get the project off the ground.

"The board and management are working diligently towards achieving financial close for the solar project, which remains on track for quarter four 2016, with construction to commence in quarter one, 2017," he said.

Dr Lynham said Queensland needed to do more to encourage other similarly innovative economic drivers.

"We have a downturn in mining, a terrible downturn in our resources sector. Thank God we don't have a cycled drop in agriculture at the same time, because Queensland is still agriculture and mining," he said.

"If we had those two cycles in the bottom trough, we'd be in serious trouble.

"But at the present time, we've got resources down and agriculture booming, and tourism booming, so that's keeping us on a level playing field.

"We can't get going on those cycles ... we have to make sure we have a strong, solid diversified economy."