



Australian Government
**Department of Industry,
Science and Resources**

Meeting Brief

MB25-000263

FOR INFORMATION - Meeting with Fortescue CEO Dino Otranto
9:00am, Tuesday 29 July 2025

TO: Minister for Industry and Innovation; Minister for Science
CC: Assistant Minister for Science, Technology and the Digital Economy

PURPOSE OF MEETING

- You are meeting with Fortescue representatives Dino Otranto, CEO; [s 22](#)
 - Fortescue would like to provide you with an update on their decarbonisation activity, progress towards net zero and their plan to produce green iron in the Pilbara.
 - Fortescue are likely to raise their views that the Fuel Tax Credit provides a disincentive for the users to decarbonise their diesel fuel assets, stalling progress against net zero by 2050 targets.
- You may wish to seek Fortescue's reflections on the Prime Minister's engagement on green iron and steel in China.

KEY MESSAGES

- The Future Made in Australia National Interest Framework identifies green metals (iron, steel, alumina and aluminium produced with low or zero emissions) as a priority sector.
 - Australia's substantive iron ore resources, abundant renewable energy sources and skilled workforce mean we can have a comparative advantage in green iron production.
 - Value-adding to iron ore resources with green iron manufacturing will help protect the industry from future economic shocks as more iron ore supply comes online globally.

Green Iron Investment Fund

- The \$1 billion fund Green Iron Investment Fund (GIIF) will support early mover green iron projects to overcome the initial capital hurdle of investment (**MB25-000213** refers). At least \$500 million will be open to applicants around Australia through an open, competitive process. Up to \$500 million will also support the Whyalla steelworks transformation.

Future Made in Australia Innovation Fund

- The FMA Innovation Fund, administered by the Australian Renewable Energy Agency (ARENA), will deliver \$1.7 billion in grants over 10 years to support innovation, commercialisation, pilot and demonstration projects and early stage development in priority sectors, including green metals, clean energy technology manufacturing and low carbon liquid fuels.

Net Zero Plan

- The Australian Government is developing a Net Zero Plan to guide Australia's transition to a net zero economy by 2050, underpinned by six sectoral decarbonisation plans that will cover all major sources of emissions across the economy. Together, these will set out government priorities, policies and measures to drive down emissions.
- You are responsible for the Industrial Sector Plan. The Industrial Sector Plan will cover nine sub-sectors that represent the greatest opportunity and need for decarbonisation, and those industries most impacted by the economy's transition.

Fuel Tax Credits (FTCs)

- The Fuel Tax Credit (FTC) scheme provides eligible businesses with a credit equal to the tax paid on fuel used as an input when producing goods and services. FTCs on eligible fuel for business activities are limited to the fuel tax revenues collected on that fuel. Taxation matters, including fuel tax settings, sit within the Treasurer's Portfolio. The Government has not announced any changes to FTCs at this time.

BACKGROUND

Australia-China Steel Dialogue

- The Prime Minister of Australia, the Hon Anthony Albanese MP, travelled to China from 12-18 July for the Australia-China Annual Leaders' Meeting (ALM). As part of the visit, the Prime Minister attended a High Level Business Lunch, a Steel Decarbonisation Roundtable, and a CEO roundtable – all of which were attended by Fortescue Chairman Dr Andrew Forrest or a senior Fortescue representative.
 - As an outcome from the ALM, China and Australia have agreed to establish a new Policy Dialogue on Steel Decarbonisation. The department will work with DFAT and DCCEEW to deliver this officials-level dialogue.

Fortescue's Green Iron projects

- Fortescue is developing its Christmas Creek pilot plant to produce 1,500 tonnes (t) of green iron per annum, ^{s47(1)(b)} The pilot plant would use renewable hydrogen to produce sponge iron, that then goes into an electric smelting furnace to make higher quality iron for use in steelmaking by its customers in China.

- Fortescue has plans to supply over 100 million tonnes (Mt) of ‘green iron’ to China annually. Fortescue is preparing a feasibility study to develop a 1Mt commercial scale green iron facility [s47\(1\)\(b\)](#). The feasibility study will consider locations, engineering design, energy system design, integration with infrastructure and costs.
- [s 47\(1\)\(b\)](#)

Fortescue’s decarbonisation ambitions

- Fortescue aims to meet Real Zero by 2030 by investing in 2GW of renewable energy (solar and wind), 4GWh of batteries and an integrated energy transmission system. Some projects are under construction, while some projects require regulatory approvals before reaching final investment decision.
- Fortescue is also working to replace diesel mobile equipment with electric equipment. There are long lead times, with orders placed [s 47\(1\)\(b\)](#)

Fortescue’s green hydrogen technology

- On 24 June 2025, Fortescue, Sparc Technologies and the University of Adelaide launched the [Sparc Hydrogen Advanced Research Pilot](#), SHARP pilot plant showcasing a breakthrough in solar hydrogen technology. The Sparc Hydrogen pilot aims to accelerate the commercialisation of scalable, low-cost hydrogen solutions and may support their broader decarbonisation and green iron ambitions.

Meetings with Fortescue

- You met with Fortescue in Perth on 3 June 2025 ([MB25-000213](#) refers).
- The department met with Fortescue representatives on 18 June 2025 and discussed Fortescue’s green iron investments, decarbonisation plans and concerns with the FTC scheme.
- The department is having regular meetings with Fortescue in relation to their Modern Manufacturing Initiative (MMI) grant for the green electrolyser manufacturing facility in Gladstone.

SENSITIVITIES

- [s 47\(1\)\(b\)](#)

CONSULTATION

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18/7/2025

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