

Australasian Institute of Mining and Metallurgy and Murdoch University

International Lithium and Battery Metals Conference 2019

Address by the Honourable Kim Beazley AC Governor of Western Australia

Wednesday, 3 July 2019

I would firstly like to acknowledge the traditional owners of the land on which we meet – the Whadjuk Noongar people – and pay my respects to their elders past, present and future.

Introduction

It is with great pleasure that I officially open the Lithium Conference of 2019. The Conference is a product of the collaboration between Australasian Institute of Mining and Metallurgy and Murdoch University and is a timely opportunity to ‘unpack’ an element which has captured much of the world’s attention.

Over the next two days, the Lithium 2019 Conference will explore the entire life-cycle of lithium, from exploration and geology through to its end usage. The discussion will focus also centre on the successes and challenges surrounding this metal, and the future of the lithium industry.

I must acknowledge the significance of Western Australia as the location for this Conference. Western Australia is geologically blessed and possesses an abundance of mineral resources. Western Australia is also home to the world’s first automated heavy-haul long distance rail network as well as world leading education for mineral and mining engineering with Curtin University’s School of Mines which is ranked second in the world for Mineral and Mining Engineering. When you combine this with our industry leaders in WA, and the outstanding lithium and battery mineral expertise at Murdoch University, it easy to see that we are a truly blessed State.

Blessed is one thing. Strategic understanding is another. Add to battery mineral expertise the presence of magnet minerals and you have the essence of fourth generation industrial revolution, base requirements. This for many countries has both defence and civilian implications.

We offer diversity, reliability, and ethical production. None of these minerals are uniquely Australian but in these policy and production values combined with the ubiquity potentially of the product we are close to unique.

Why Lithium?

Why is it that lithium is now such a regular feature in conversations globally and has brought us all here today? Lithium is not a new development, it has been around for many years with major demand drivers being ceramics, glass and in some areas, aircraft manufacturing. In fact, it is reported to have been around since the ‘big bang’.

The third and emerging fourth industrial revolution has prompted technology to become an increasingly regular feature in our daily lives. Lithium, critical minerals and rare earth elements are central to the manufacturing and development of this technology.

A global push towards the adoption of 'cleaner, more decentralised and digitalised energy systems and services' is considered the main driver for increasing demand in lithium. The Office of Australia's Chief Economist predicts that lithium demand will grow "six fold" over the next decade.

The demand for lithium is primarily for its use in rechargeable battery minerals for use in the manufacture of digital devices, energy storage systems, electric vehicles, as well as defence industry technology and equipment.

Australia is the world's largest lithium producing nation. Eight companies are currently producing lithium, all located in Western Australia and accounting for about half of the world's production. Increased demand for lithium and other critical minerals presents significant opportunities for Australia, Western Australia and the region.

Opportunities

Concern over the security of lithium supply has prompted alliances and joint ventures to form among technology and resource companies to ensure a reliable and diversified supply of lithium.

An example of recent collaboration between regional partners can be seen in a Memorandum of Understanding signed between Western Australia-based Neometals Ltd and India's Manikaran Power Limited. Within the MOU, the two companies agreed to 'jointly evaluate the development of a lithium refinery in India.'

In a similar action of partnership and collaboration, Geoscience Australia and the US Geological Survey recently signed a letter of intent to work together on issues relating to critical minerals. Collaboration will continue to aid in ensuring a diversity of supply within the lithium and battery minerals industry.

Western Australia is looking to enhance its value in the lithium-ion battery supply chain through expanding its role in the lithium-ion battery supply chain and domestically processing its lithium deposits. A number of lithium processing plants are now being constructed in Western Australia.

To further value-add, Western Australia is in the process of establishing the headquarters of the Future Battery Industries Cooperative Research Centre in Perth. There will be strong alignment with our Future Battery Industry Strategy, and Western Australia will strive to unlock downstream processing opportunities. The State Government has advised that "the Centre will provide industry-led research capability to grow Australia's competitiveness and contribution in the global battery industries value chain."

Western Australia has substantial reserves of all the battery minerals used to manufacture rechargeable batteries. Beyond lithium, this includes nickel, cobalt, manganese and alumina. Additional areas of opportunity may also be explored surrounding these additional minerals.

I understand that some of these and other areas including in the end-of-life battery market will be explored by speakers during this Conference.

Challenges

Western Australia is a State filled with a large number of innovative industry thinkers. Whilst the lithium and battery mineral industry is one filled with opportunity, it is not without its challenges. These include a number of economic and technical challenges.

Our great minds will play a key role in helping to find innovative solutions to these challenges – including those with good business acumen, who can assess our comparative advantages, in order to identify how we can take our aspirations forward.

I encourage you to engage critically in discussions during this Conference and explore ways to maximise opportunities within the lithium and battery minerals industry.

Conclusion

Lithium will continue to be a defining feature of mining, resource and technological development within Western Australia and the region.

It is predicted that “by 2019-20 Australia could account for around 80% of global lithium supply from hard rock deposits.” The 2019 Lithium Conference provides an opportunity to engage with key stakeholders to unpack this precious commodity and further explore and maximise the opportunities it presents.