

FUTURE BATTERY INDUSTRY

Statement by Minister for Mines and Petroleum

MR W.J. JOHNSTON (Cannington — Minister for Mines and Petroleum) [9.07 am]: It is with great pleasure that I rise to update the house on several recent achievements relating to Western Australia's battery and critical minerals industry. The McGowan government has a strong vision to move further down the battery value chain, as outlined in our *Future battery industry strategy Western Australia*. Recent industry advances demonstrate we are leveraging our strengths and capitalising on our resources to become a world leader in producing advanced battery materials.

On 1 September 2021, Covalent Lithium commenced construction of its lithium hydroxide refinery in Kwinana. A joint venture between Wesfarmers and Chilean company SQM, Covalent Lithium's refinery is expected to create 1 000 construction jobs and 350 operational jobs. Once complete, the refinery will have the capacity to support the production of batteries for up to one million electric vehicles per year. It joins the Kwinana refinery of Tianqi Lithium and IGO Ltd and the Kemerton refinery of Albemarle and Mineral Resources Australia. Tianqi and IGO marked their first lithium hydroxide product in August 2021.

On 1 October, 2021, I attended the opening of BHP Nickel West's nickel sulphate plant in Kwinana, an Australian first. When the plant is fully operational, it will produce over 100 000 tonnes of nickel sulphate, which is enough to make 700 000 electric vehicle batteries. The event came after BHP Nickel West signed a supply agreement with Tesla, the world's largest manufacturer of electric vehicles and battery storage systems. Also this month, I welcomed the signing of the binding high-purity alumina, or HPA, joint venture term sheet between Alcoa and FYI Resources. The term sheet aims to develop a demonstration plant and primary production facility to produce and supply HPA to meet growing global demand. HPA is used in LEDs, mobile phones, television screens and battery components. In other good news, yesterday Lynas Rare Earths' \$500 million processing facility in Kalgoorlie was recommended for environmental approval by the Environmental Protection Authority, subject to conditions. Lynas' proposed facility will process rare earth concentrate from its Mt Weld mine to produce rare earth carbonate for export from Fremantle port. The suite of rare earths are essential ingredients in electronics, wind turbines, catalytic converters, and electric and hybrid vehicles.

It is expected Lynas' project will require a workforce of 290 people during construction and 120 during operation. The company has already started to build its team in Kalgoorlie. These projects are laying the foundation for precursor cathode active materials manufacturing. The McGowan government has allocated a \$13.2 million financial incentive through the WA recovery plan to attract a P-CAM project to Western Australia. The Department of Jobs, Tourism, Science and Innovation is actively engaging with several companies to progress this investment opportunity.