

MINER BETS ON NICKEL

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Alliance plans \$1.65b NiWest project in hope battery mineral revives

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Listed junior Alliance Nickel has laid blueprints for a new critical mineral mine in the Goldfields that would cost \$1.65 billion to build over the next three years in a long bet on the battery commodity's return to life.

Alliance on Thursday released its definitive feasibility study for the NiWest project, about 35km from Glencore's Murrin Murrin in the Goldfields—the only nickel operation still standing in WA

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Alliance in plans to build new nickel mine

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amid the latest downturn. NiWest would produce 19,500 tonnes of nickel a year for 12 years based on the latest studies.

That was booked on the assumption nickel prices would rise and stay above \$US22,325 per tonne (\$34,299).

Prices for the battery metal on the London Metal Exchange reached just shy of \$US18,000/t in early October, and have since fallen to about \$US15,600/t.

Low prices in the past year have brought about the demise of nearly all nickel mines in WA, including BHP Nickel West.

NiWest would also produce about 1600 tonnes of cobalt a year.

The Paul Kopejtka-led company needs to stack up financial backers for the expensive development. It will sell up to 50 per cent

of the project to a partner to raise capital, and seek commercial and government debt.

NiWest was granted major project status by the Federal Government at the start of this year.

Automaker Stellantis agreed in 2023 it would buy 40 per cent of the battery-grade nickel Alliance produces in its first five years.

Alliance recently said it was in talks with Samsung to try to pin down another offtake deal.

The new budget for the project was up about 31 per cent on what was estimated in a pre-feasibility study in 2022 because of increased costs associated with securing water for the operation, Alliance said.

Mr Kopejtka said NiWest would be a "truly significant project for WA" and create 600 jobs during construction and 300 during operations. "Whilst the nickel market



CEO of Alliance Nickel Paul Kopejtka. Picture: Ian Munro

has experienced some volatility over the past year, primarily due to oversupply from Indonesia, we firmly believe the long-term outlook for nickel remains positive," he said.

"Nickel demand is expected to grow substantially over the next decade, supported by the global adoption of electrical vehicles

and broader electrification, and Alliance is well placed to benefit from this ongoing transformation." WA Mines Minister David Michael said he looked forward to seeing the project progressing.

"Nickel is recognised as a critical mineral in Australia and is a key commodity in products essential for global decarbonisation

efforts," he said. The junior is targeting a final investment decision on the project in the second half of next year and, subject to finance and approvals, to reach first production in 2027 after a two-year build.

Alliance's share price rose 16.2 per cent after releasing the study to 4.3¢, before closing at 4.2¢.