

Closing the gap between Australia’s vast mineral endowment and its investable critical minerals projects

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CLOSING THE GAP BETWEEN AUSTRALIA’S VAST MINERAL ENDOWMENT AND ITS INVESTABLE CRITICAL MINERALS PROJECTS

The uneven global distribution of minerals is the outcome of a geological lottery, with the ‘Lucky Country’ having an abundance of in-demand critical minerals. With trading partners looking to Australia to be a key partner as the global scramble to secure critical minerals continues apace, the strategic importance of Australia’s endowment has never been more evident.

Despite the large universe of critical mineral prospects, Australia has relatively few projects in the investment and offtake ‘sweet spot’¹. This is the reality facing those same trading partners.

For example, PwC analysis for lithium and cobalt projects in Australia in 2023 identified 5 lithium and 3 cobalt projects when the project universe was filtered to meet the ‘sweet spot’ criteria for an inbound investor.

Step	Filter	Count: lithium	Count: cobalt
1 Identify project universe		79	197
2 Develop the long list	Project stage (beyond exploration, not yet reached FID)	72	39
3 Develop the short list	Offtake availability on 3-to-5-year timeframe & acceptable project economics	16	23
4 Develop the priority list	Score short list against technical, ownership, project & commercial factors, financials, ESG and regulatory	5	3

The presentation will:

- Update and expand the analysis to quantify the number of projects in Australia’s critical minerals ‘sweet spot’
- Analyse the data by mineral type, location, stage of development, capex and rates of return for example
- Identify the broader trends from the analysis to understand what is happening in the ‘sweet spot’ and why

¹ Projects in the ‘sweet spot’ are defined as those that (a) have a resource or reserve to JORC Standard, (b) have not yet reached FID and (c) have some or all, of the proposed production volume available for off-take.

- Evaluate the implications for stakeholders, including major trading partners seeking to invest in critical minerals projects and secure offtake.