



Project News

NAIF made Investment Decision to support Development of Australia's first Sulphate-of-Potash Project

Edited by on 27. Feb. 2019

The Board of the Northern Australia Infrastructure Facility (NAIF) has made an Investment Decision to provide Kalium Lakes Ltd. loans of up to AUD 74 million to support the Beyondie Sulphate of Potash Project (SOP), located in the Pilbara region of Western Australia. Given there is currently no SOP production in Australia this will create a new domestic industry.



(A. Singkham © 123RF.com)

NAIF Chief Executive Laurie Walker said: “NAIF’s funding will support Kalium Lakes’ investment in infrastructure to further develop the Beyondie Project. The project is estimated to generate AUD 169m net public benefit (in present value terms) over the first 30 years of mine life.” Kalium Lakes' Managing Director, Brett Hazelden, commented: “We are delighted to have the support of NAIF as we

continue to develop this SOP project in Australia. The long tenor and concessional terms of the Infrastructure Development Facility will allow Kalium to bring forward the construction of a AUD 29 million, 78 km lateral gas pipeline to connect to the Goldfields Gas Pipeline and an on-site gas fuelled power station into Phase 1 of the Project. This will result in operating cost reductions of approximately AUD 62-65 per tonne from the base case in the Bankable Feasibility Study (BFS) released in September 2018 as the BFS contemplated outsourcing the gas supply and power generation to a third party provider via Build-Own-Operate (BOO) arrangements. The Infrastructure Development Facility will also fund upgrades to the 78 kilometre unsealed road connecting the Beyondie SOP Project site to the Great Northern Highway, new communication infrastructure, an airstrip and an accommodation village that can support in excess of 120 people.

About the Beyond Sulphate of Potash Project

The Beyondie SOP Project comprises 15 granted exploration licences, two mining leases and several miscellaneous licence covering an area of approximately 2,400 square kilometres. This sub-surface brine deposit will supply an evaporation and processing operation located 160 kilometres south east of Newman. Approaching a Final Investment Decision, the Company has just completed a Bankable Feasibility Study for the Project (the first BFS for any Australian deposit) which confirmed the Project is technically and financially robust, with first production anticipated in 2020. The Project aims to commence production at 82 ktpa of SOP, before ramping up to 164 ktpa of SOP for domestic and international sale. An initial mine life of between 30-50 years is anticipated for a project designed to be a low cost, long life and high margin producer.