



Iluka boss in China warning

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Iluka Resources CEO Tom O'Leary has warned China is weaponising its domination of the rare earths market, driving down prices to keep alternative sources out of the market while buying up access to deposits in Australia.

Speaking at **Iluka**'s annual shareholder meeting in Perth on Tuesday, Mr O'Leary said Chinese state-owned entities had a "pervasive" influence on pricing for rare earth metals, and were prepared to wear a loss to keep other producers out of global markets.

"China's dominance of the rare earths industry, which in the case of heavy rare earths is near total, is achieved through production supremacy and its influence over pricing," he said.

Iluka is building its own rare earth refinery at its former Eneabba minerals sands mine in Western Australia, but is still in negotiations with the federal government over an extension to its \$1.25bn lending facility from the government's Critical Minerals Facility, needed to cover a construction blowout that will take the plant's cost to as much as \$1.8bn.

Mr O'Leary pointed to the Chinese government's decision in December to ban the export of knowledge and technology related to the complex chemistry needed to turn rare earth deposits into metals, saying the move was a clear indication of China's intent to maintain its industry dominance for commercial and defence purposes.

"The key heavy rare earths dysprosium and terbium have critical applications in defence and national security," he said. Mr O'Leary has previously backed calls for a domestic reservation of Australian-mined critical minerals.

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