

Projects

Rare Earths Transport and Logistics Cost Analysis

NineSquared delivered transport and logistics advice for an Australian mining firm's Rare Earth Oxides shipment from North America to Europe, supporting commercial decision-making



LOCATION

Sydney

CLIENT

Confidential

COMMERCIAL ADVISORY

Background

Rare earths are a group of elements that are key enablers for technologies that help to lower emissions, reduce energy consumption, as well as improve efficiency, performance, speed, durability, and thermal stability. They are also a key component in technologies that seek to make products lighter and smaller. While China is currently the dominant supplier of rare earths, mining companies in other parts of the world including Australia are developing projects to supply rare earth oxide through mining high-grade rare earth deposits. Transport and logistics arrangements are a critical determinant of project viability and the profitability of mining operations.

An Australian based mining company required independent advice on the pathways and costs associated with transporting containerised Rare Earth Oxides (REO) from a mine site in North America to a domestic processing facility, and subsequently from North America to a secondary processing facility in Northern Europe.

Our role

NineSquared was engaged by an Australian based mining operator to provide independent technical and commercial advice on the pathways and costs associated with transporting mined containerised materials from a project site in North America to a processing facility in Northern Europe. As part of the work, NineSquared:

- Analysed options for transporting materials from the project site to intermediate and customer processing facilities and developed a short list of alternative seasonal pathways.
- Engaged with local logistics suppliers and carried out cost-modelling to collect and estimate transport costs and evaluate issues associated with short-listed options
- Recommended a preferred logistics solution that the client could take to market.

- Developed a bespoke excel-based logistics solution tool to help the client to manage and understand the financial components of their logistics operations.

Our work to scope the transport and logistics operating model helped the client design its mining operation. Our advice included insights into transport modes and pathways and time and cost trade-offs between different transport and logistics options. Our advice helped the client to make important commercial decisions, informed by detailed logistics information such as trade equipment required for transport and logistics activities documentation requirements, customs particulars, and commercial risks.

FOR FURTHER INFORMATION

For more information, find one of our experts at ninesquared.com.au/people