



The Bottom Line by Up Here Business

THE INDICATOR

There was an interesting international get-together in Saskatoon last week. About 200 people—representing business and governments at the national, provincial, territorial, and Indigenous levels—met under grey skies and damp winds at an industrial park in the north end of the prairie city. The reason: to celebrate a pair of investments that, in the coming months, will position Canada—and Saskatoon, in particular—as a lynchpin in a new global supply for rare earth minerals.

The first of the investments is a 3,100 square metre, \$20-million facility being developed by Australia's Vital Metals Ltd., which owns and operates the Nechalacho project in the NWT through its subsidiary, Cheetah Resources. The plant will take concentrate from Nechalacho (the first rare-earth mine in Canada) and take it through a first stage of processing. The end product, a mixed rare-earth carbonate, will be sold under contract to REEtec, an Olso, Norway-based company that specializes in separating and purifying rare earth minerals. It has found a customer for Nechalacho production in Schaeffler, a German auto parts company that will use the materials for electric vehicles.

Across a dirt road from Vital's facility, the Saskatchewan Research Council is developing a \$55-million, provincially funded rare-earth separation and purification plant that will process and separate ore from mining companies to make high-purity ingots of rare earth elements for industrial consumers, such as the makers of wind turbines and electric vehicles.

The twin centrepieces of last week's event—the unveiling of the two plants—made its overall focus a little hard to pin down, especially since Vital and SRC are only collaborating in small ways, at least at this time. Moreover, both plants are still being developed, with both Vital and SRC expecting to start partial production in 2023. So, it's not like there was a switch to flip or a specific occasion to mark for the delegates, who represented Australia, Germany, Norway, the United States and Canada, as well as Indigenous and Métis governments in the NWT and Saskatchewan. But that's not important. The main thing is that the NWT and Saskatchewan are sharing in the foundation of a new, international supply chain for rare minerals, a market currently dominated by China. More remarkable is that the chain wouldn't be here without the entrepreneurial creativity of smaller companies, namely Vital Metals/Cheetah Resources, and smaller Canadian jurisdictions. They've shown themselves willing to walk the talk.

It may be hard to pick an optimal day to mark the development, but it is something worth celebrating.

—*Cooper Langford*

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