

10 October 2024

Submission to: Ministry of Business, Innovation & Employment

By: WMS Group

On the: Draft Critical Minerals List for New Zealand September 2024

1. Introduction

- 1.1. WMS Group is a New Zealand privately owned critical minerals, ports and bulk logistics business based on the West Coast of the South Island. Within the WMS Group, Westland Mineral Sands Co. undertakes critical mineral mining and West Coast Bulk Logistics and West Coast Shipping Co. operate port, logistics and shipping activities.
- 1.2. WMS Group is developing a multi-generational industry for New Zealand and the West Coast Region, through the revitalisation of the Westport and Greymouth ports, coastal shipping (including a Group owned shipping vessel), innovative practices and investment in long-term land use and sustainability.
- 1.3. Mineral licenses, permits, resource consents, processing plants and mining equipment are held across 20,000ha of private freehold land on the West Coast. The first active mine site is in Cape Foulwind (Buller South) near Westport, which mines and exports Heavy Mineral Concentrate (including titanium, garnet, zircon and rare earth elements). A second site at Mananui is currently going through the resource consent process and with garnet and titanium being the primary minerals produced.
- 1.4. WMS Group overall **supports** the draft Critical Minerals and **recommends** that garnet is also included on the list.

2. Support for the Critical Minerals List

- 2.1. WMS Group **supports** the development of the Critical Minerals List and the inclusion of the minerals currently included in the draft list. We agree that the development of this list is useful to clearly understand those minerals that are critically important to New Zealand economically and that have a supply risk for the reasons stated in the summary of the draft strategy including minerals that are:
 - essential to New Zealand's economy, national security, and technology needs, including renewable energy technologies and components to support our transition to a low emissions future; and/or
 - in demand by New Zealand's international partners to enable us to benefit from international economic opportunities, contribute to the diversification of global mineral supply chains and improve the pipeline of the end-use products for which these minerals are essential; and
 - susceptible to supply disruptions domestically and internationally. In some instances, New Zealand relies on domestic sources of minerals, but the supply of these minerals can be constrained. Internationally, supply chain disruptions could arise due to global supply shortages, or geopolitical risks.

3. Inclusion of Garnet

- 3.1. WMS Group **recommends** that garnet be included on the Critical Minerals List.
- 3.2. Potential minerals to be included on the draft Critical Minerals List were assessed as part of the list development by way of a supply risk assessment process. Minerals that scored over risk assessment score 5, have been included on the list, with several exceptions that were above 5 being adjusted down to not be included, or below 5 being adjusted up to be included on the list. WMS Group does not disagree with the process of making adjustments in principle, however, considers that garnet strongly meets the criteria for inclusion on the list.
- 3.3. Garnet received a supply risk assessment score of 6.58 but was adjusted down due to the availability of substitute minerals as well as absence on partner critical minerals lists. WMS Group submits that the presence or otherwise of garnet on partner critical minerals lists is not a substantive reason not to include garnet on a New Zealand list, particularly given the high overall supply risk assessment score and the different context for use of the garnet-based product in New Zealand (i.e., road surfaces, grip technologies, abrasives and construction sand alternatives).
- 3.4. Further, while there may be substitute minerals available, it is understood that common alternatives (i.e. glass and silica slags) are not as safe for use (i.e., health and safety of people working with abrasives) and are one use only whereas garnet may be used multiple times, making it more sustainable over time.
- 3.5. Garnet consumption in New Zealand is imported from Australia and China. There are emerging and current operations exporting garnet with other commodities which will likely provide domestic supply into the future. There is demand above the current approximate New Zealand consumption for further use of garnet rich products for end uses such as roading, airports, concrete and grip technologies as well as applications for other uses such as construction materials, abrasives, and alternates to construction sands.
- 3.6. There is national demand for garnet in abrasives and roading within New Zealand for example, with indicative conversations with potential users suggesting the need for more New Zealand based supply would reduce reliance on other countries of supply including the ability to capitalise on New Zealand's abundant resources which are globally significant in size and quality.
- 3.7. There is an opportunity for garnet rich sand producers to develop a multifaceted product that can be adapted to suit many applications across various industries in New Zealand and inclusion on the Critical Minerals List will support this.

4. Conclusion

- 4.1. WMS Group **supports** the proposed draft Critical Minerals List overall and **recommends** the additional inclusion of garnet on the list. Garnet meets the criteria for inclusion in the Critical Minerals List based on the discussion above.
- 4.2. The inclusion of garnet will recognise the supply risk and multiple potential domestic applications for garnet and its place in mineral development in New Zealand.
- 4.3. Developing a sustainable domestic and international market for New Zealand will create in country opportunities for technology and growth on a national and global scale.