



Construction is in full swing at Tianqi Lithium's Kwinana plant.

Tianqi delivers industry boost

Author:

[Mark Beyer](#) [1]

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Chinese company [Tianqi Lithium](#) [7] and its head contractor [MSP Engineering](#) [8] are on track to achieve 80 per cent Western Australian content on two big construction projects worth more than \$700 million.

Local winners include diversified contractor [Georgiou Group](#) [9], fabrication workshop Pacific Industrial Company, [Kerman Contracting](#) [10] and [Alltype Engineering](#) [11].

Tianqi's projects have also provided a boon for [MSP Engineering](#) [8], which has recruited nearly 200 staff and contractors over the past 12 months, lifting its total headcount to about 235.

In addition, MSP's sub-contractors currently have about 240 workers on the two projects.

The prospect of Tianqi approving a third major project means the work should keep flowing to local businesses.

Tianqi's largest project is a \$400 million lithium hydroxide processing facility in Kwinana – a rare example of downstream processing of minerals in WA.

A further \$320 million is being invested in a chemical-grade lithium plant and crushing facility at the [Talison Lithium](#) [12] mining operation at Greenbushes, which is owned by Tianqi (51 per cent) and US company Albermarle.

In addition, Tianqi is fast-tracking its evaluation of a stage two expansion of the Kwinana plant, likely to cost a further \$300 million.

This investment wave is designed to keep Tianqi at the forefront of the global lithium industry, which is set for rapid expansion driven by demand for long-life batteries in electric cars, mobile phones and other

devices.

Tianqi general manager [13][Phil Thick](#) [13] said the group was committed to becoming an integral part of the WA and Kwinana business communities, and was supporting a number of initiatives in the education and arts space.

“It would not be logical for us to be doing this and then importing everything for our plant in Kwinana,” [Mr Thick](#) [13] said.

“Hence we are committed to maximising local content and local jobs during construction and operations.”

[Mr Thick](#) [13] said Tianqi would also boost lithium expertise in WA by transferring its experience in China and building Perth up as a centre of expertise globally for lithium processing. MSP’s appointment as head contractor for both projects builds on its 20-year association with the Greenbushes lithium mine, which has been through several ownership changes over that time.

Managing director [14][Peter McSweeney](#) [14] said Tianqi invited him to China in 2015 to help develop a strategy for downstream processing.

“We found it was as competitive to build the lithium hydroxide plant in Kwinana as it was in China,” he said.

[Mr McSweeney](#) [14] said the high Australian content was helped by the slowdown in big projects, which meant contractors were quoting more competitive rates.

The location also helped.

“Most things we need to fabricate can be done within 10 kilometres of the Kwinana plant,” he said.

That made it easy to visit workshops, build relationships and ensure the work met quality specifications.

“That definitely has value,” [Mr McSweeney](#) [14] said.

He urged other project developers to look closer to home.

“We tend to sell ourselves short,” he said.

“There is still an offshore build mentality, which is a hangover from the mining boom.

“Proponents should be looking for more local content.”

[Mr McSweeney](#) [14] said that with a focused effort, MSP was able to attract good quality people to its own ranks.

He observed that many experienced engineers had moved interstate and overseas, and the local market was noticeably tighter than a year ago.

“It would be a lot more challenging if we were recruiting now,” he said.

Construction of the Kwinana lithium hydroxide plant started in late 2016 and is due for completion in late 2018.

[Georgiou Group](#) [9] has won three contracts on this project worth more than \$30 million, including bulk earthworks, concrete pours, and the design and construction of the control centre.

Pacific Industrial Company has also won three contracts, including off-site fabrication of storage tanks and structural steel and the structural, mechanical and piping (SMP) works.

[Mr McSweeney](#) [14] said the next major package to be awarded was the electrical and instrumentation (E&I) works.

Work on the Greenbushes project started in June, with South West contractor [B & J Catalano](#) [15] close to completing the bulk earthworks.

Osborne Park-based Belpile has started drilling 450 piles and Georgiou is due on site next month to start pouring 11,000 cubic metres of concrete.

This work is proceeding despite private company [Global Advanced Metals](#) [16], which retains the rights to the tantalum production at Greenbushes, proceeding with legal action against [Talison Lithium](#) [12].

The Greenbushes project is scheduled for completion in the first quarter of 2019.

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