

Indonesian Nickel Boom amid Energy Transition

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Table of contents

1 Executive summary	6
2 Introduction	7
3 Nickel industry status	9
Nickel reserves	9
Nickel production	11
Nickel consumption	12
4 Lateritic nickel extraction technology	13
Laterite nickel value chain and extraction process	13
Mining and blending	15
Pyrometallurgical processing	15
Blast furnace smelting	15
RKEF smelting	16
Vanyukov furnace smelting	18
NPI to sulfide matte smelting	19
Hydrometallurgical processing	19
HPAL process	19
Atmospheric acid leaching (AAL) process	24
The Caron process	26
Battery-grade nickel sulfate production	29
MHP to battery-grade nickel sulfate	29
Nickel matte to battery-grade nickel sulfate	32
MSP to battery-grade nickel sulfate	34
5 Indonesia's nickel policy and ESG issues	36
Nickel trade policy evolution	36
Indonesia's nickel boom	38
Indonesia's HPAL operation cost advantage	43
ESG issues about the Indonesian nickel industry	44
6 Conclusions	45
Appendix — Cited references	46

Tables

Table 4.1 Typical nickel matte composition	32
Table 4.2 MSP typical composition	34

Figures

Figure 2.1 LME nickel cash price since 2008	7
Figure 3.1 Nickel reserves in 2024	10
Figure 3.2 Nickel mine production in 2024	10
Figure 3.3 Laterite nickel ores dominated production	11
Figure 3.4 Nickel pig iron production expanded rapidly	12
Figure 4.1 Laterite nickel ore value chain	14
Figure 4.2 Ramu HPAL plant process flow	23
Figure 4.3 Yinyi's AAL block process flow	25
Figure 4.4 Yabulu nickel operation process overview	28
Figure 4.5 MHP to battery-grade nickel sulfate process at a CNGR operation	31
Figure 4.6 Ji En's nickel matte to battery-grade nickel sulfate process	33
Figure 5.1 Indonesia nickel export value: Raw ores vs. total export, 2013–2024	38
Figure 5.2 Breakdown of Indonesia's nickel export by product, 2014–2024	39
Figure 5.3 Breakdown of Indonesia's FeNi exports by destination in 2024	40
Figure 5.4 Breakdown of Indonesia's nickel matte exports by destination in 2024	40
Figure 5.5 Sharp growth of Indonesia's nickel ore imports, 2020–2025	41
Figure 5.6 Largest investors of Indonesia's nickel smelting industry, 2024	42
Figure 5.7 Moa Bay and Lygend Obi HPAL cash cost comparison	43

Glossary

\$/t	Dollars per metric ton
AACP	Alkali activation controlling precipitation
AAL	Atmospheric acid leaching
AOD	Argon oxygen decarburization
ASX	Ammoniacal solvent extraction
BGRIMM	Beijing General Research Institute of Mining & Metallurgy
BOF	Basic oxygen furnace
BNC	Basic nickel carbonate
CCD	Countercurrent decantation
EAF	Electric arc furnace
EIA	Environmental impact assessment
ESG	Environmental, Social, and Governance
EV	Electric vehicle
FeNi	Ferronickel
FDI	Foreign direct investment
GEM	Green Eco-Manufacture
GHG	Greenhouse gas
GOR	Gas oxygen refiner
HMA	Reference mineral price
HNC	Hydroxide nickel carbonate
HPAL	High-pressure acid leaching
HPM	Metal Mineral Benchmark Price
IMIP	Indonesia Morowali Industrial Park
Kt	Thousand metric tons
LD	Linz-Donawitz
LF	Ladle furnace
LFP	Lithium iron phosphate
LIB	Lithium-ion battery
LME	London Metal Exchange
MEMR	Ministry of Energy and Mineral Resources
MHP	Mixed hydroxide precipitate
m ²	Square meter(s)
m ³	Cubic meter(s)
mm	Millimeter(s)
MMt	Million metric tons
MMt/y	Million metric tons per year
MOT	Ministry of Trade
MPa	Megapascal
MSP	Mixed sulfide precipitate
MVR	Mechanical vapor recompression
NPI	Nickel pig iron
NMC	Nickel, manganese, and cobalt
OESBF	Oxygen-enriched side-blowing furnace
PGM	Platinum group metals
PLS	Pregnant leach solution
RKAB	Mining Work Plan and Budget
RKEF	Rotary kiln — electric furnace
ROM	Run-of-mine
R&D	Research and development
SAF	Submerged arc furnace
SMM	Shanghai Metal Market
t	Metric ton(s)
t/y	Metric tons per year
USGS	US Geological Survey

Abstract

Nickel laterite ore mining and refining activities in Indonesia are experiencing a surge in production and value chain integration. Despite representing a larger share of the overall nickel resource, laterite ore accounts for smaller nickel production due to its lower nickel content than nickel sulfide ore and more complex extraction process. Nevertheless, driven by the increasing demand for electric vehicle (EV) batteries amid the decarbonization trend, nickel production has expanded into the lateritic ore sector, especially in Southeast Asian countries and territories, including Indonesia, the Philippines, New Caledonia, and Papua New Guinea. The increased industrial activities have also helped boost and expand technical improvement to existing nickel mineral mining and metal extraction processes, while nickel price undergoes great volatility. Existing nickel plants in Australia, New Caledonia, Brazil, and other areas have experienced rationalization due to deteriorating economics [149-150, 156]. Also, environmental, social, and governance (ESG) issues in the nickel industry are gaining increasing attention, with stakeholders calling for it to be considered in pricing nickel products and the Indonesian government tightening regulations for the sustainability of the nickel industry. In this review, we looked into the technical and regulatory factors behind the nickel boom in Indonesia, focusing on the latest developments in laterite nickel ore mining and extraction processes, as well as their ESG implications, with conclusions on the nickel market and the Indonesian nickel boom given for well-informed business decisions.

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