LKAB takes the next step in its critical minerals initiative

Operational testing has now commenced at LKAB's demonstration plant in Luleå, where the process for extracting rare earth elements and phosphorus will be validated. The facility is the first part of a planned full-scale Industrial park and represents an important step in the company's ambition to expand its business in critical minerals through improved resource utilization.

"This is an important milestone. The results from the facility will provide valuable insights for future decisions while also strengthening the prospects of establishing a European value chain for phosphorus and rare earth elements, contributing to increased self-sufficiency," says **Darren Wilson**, SVP Business Area Special Products at LKAB.

Construction of the facility began in early 2025, following an investment decision of approximately SEK 800 million, and it has now been completed on schedule and within budget. The focus is now on the hot commissioning phase, during which the process is gradually tested to ensure that the plant and its equipment perform as intended under actual operating conditions.

"The period ahead is highly significant. We are now beginning the work of testing and optimizing the process. If everything goes according to plan, the facility will transition into regular operations during the spring" says Darren Wilson.

"This could mark the beginning of a new type of industrial activity in Sweden, where residual streams from mining production can be transformed into important resources for future societies. Reaching this stage of the project is the result of dedicated work by many employees across different parts of LKAB."

The demonstration plant is the first in Europe to test technology for extracting both phosphorus and all 17 rare earth elements from residual streams generated by LKAB's iron ore production in Malmberget, Gällivare. Over the coming months, operations will be conducted on a limited scale to collect data, further develop the process, and build knowledge ahead of the next stages of the initiative.

"This is a crucial part of the work moving forward. We plan to gradually expand operations with additional processing facilities over time. This first facility will also serve as a research and development centre, providing opportunities to build knowledge and expertise and, in the longer term, explore and develop future potential sources for further refinement," says Darren Wilson.

In May 2026, the Land and Environment Court granted an environmental permit for LKAB's planned full-scale industrial park in Luleå. Future investment decisions are also dependent on the environmental permit for LKAB's continued operations and planned apatite plant in Gällivare. The permit was granted by the court in June but has subsequently been appealed.

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LKAB is an international mining and minerals group that offers iron ore and mineral products. We are committed to developing carbon-free processes by 2045, leading the transformation of the iron and steel industry. We mine over 80 percent of all iron ore in the EU and since 1890 we have developed through unique innovations and technological solutions. In 2025, the group had more than 5,000 employees in 12 countries, and sales of about SEK 33 billion. lkab.com

Facts about LKAB and critical minerals

- LKAB plans to begin extracting critical minerals from the existing iron ore mine in Gällivare by establishing a new processing plant for apatite. The aim is to make use of material flows from iron ore production that are not utilised today.

- The apatite concentrate from Gällivare will then be transported to Luleå. Here, LKAB plans to produce rare earth elements, phosphorus for the production of mineral fertilisers for agriculture, and gypsum as a by-product for the construction industry.

- In October 2024, LKAB decided to invest SEK 800 million in a demonstration plant, which has since been built. The facility will validate and further develop the technologies required for the extraction of phosphorus and REEs. The results will play an important role in future decision-making and in the planning of a full-scale industrial park in Luleå.

- The EU classifies raw materials as critical due to their high dependence on imports and their importance for our economy and the sustainable transition. This includes phosphorus and rare earth elements. Common to these raw materials is also that there is a high risk of supply disruptions, for example related to geopolitical risks.

- Phosphorus is mainly used to produce mineral fertilisers, and about half of the world's food production depends on it. Europe depends on imports for 90 percent of its phosphorus, with Russia previously being a major supplier.

- Rare earth elements (REEs) are used, among other things, in permanent magnets for electric vehicle motors and wind turbine generators, with China dominating the global value chain. Europe currently does not mine these rare earth elements.

- LKAB's future investments have been granted status as Strategic Projects under the EU's Critical Raw Materials Act. These are the mine in Malmberget, the industrial park in Luleå and the new Per Geijer iron ore deposit in Kiruna, which contains significantly higher concentrations of rare earth elements and phosphorus compared with the ore bodies that LKAB currently mines. These investments are seen as important for reducing Europe's dependencies and increasing the availability of critical raw materials.

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