

How Iron Ore is Transported from Kaunisvaara – Current Solution and Future Alternatives

Pipeline, electric trucks, and a new railway line. Right now, several different logistics solutions are being discussed for transporting our iron ore from Kaunisvaara out to the global market. We check in with Nils-Johan Haraldsson, Head of Logistics, and Astrid Sundberg, Logistics and Marketing Coordinator, who offer insight into today's logistics solution as well as an update on where we currently stand in the strategic work on alternatives and future logistics solutions.

For long-term mining operations in Tornedalen, it is of course essential to have a solution for transporting the iron ore to customers in a cost-effective and efficient manner. A wide range of studies have been conducted by experts to explore various possible solutions – including building new railway lines, transporting the ore via Finland, or routing it down to the Port of Luleå, just to name a few options.

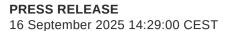
Nils-Johan Haraldsson, Head of Logistics at Kaunis Iron:

"Our current logistics solution is to transport the ore by truck to the Iron Ore Line (Malmbanan), and then by train to Narvik for transfer to large cargo ships. For the road network used by the ore transports, the Swedish Transport Administration (Trafikverket) and Kaunis Iron have together chosen to invest over one billion SEK to reinforce the road and create a safer traffic environment for all road users."

According to Trafikverket's calculations, there are currently fewer accidents per axle passage on the road section used by Kaunis Iron than what is typical for similarly trafficked roads. As part of ongoing safety efforts, training programs are carried out for all truck drivers, and the company has also invested in state-of-the-art technical safety tools.

We maintain a close dialogue with the Swedish Transport Administration (Trafikverket) and the road contractors. Among other initiatives, we contribute approximately eight million SEK annually to additional measures aimed at strengthening winter road maintenance. In icy conditions, extra sanding can be carried out and truck speeds can be reduced. Under particularly adverse conditions, traffic control may decide to temporarily halt all truck traffic, and drivers themselves can also choose to pause their transports if necessary – all to ensure that safety always comes first.

"We have a strong collaboration with Trafikverket, which has led to improvements and increased safety on the roads we operate on. We also cooperate with several Sami communities and have a close partnership with the Sattajärvi Sami village, where we maintain an active dialogue on how to reduce the risk of reindeer accidents. This work has resulted in a 70 percent reduction in collisions involving all traffic along the route," says Nils-Johan Haraldsson.





Our logistics chain extends from Kaunisvaara by truck, and then by train from Pitkäjärvi to Narvik – where the iron ore concentrate is shipped onward. Astrid Sundberg, Logistics and Marketing Coordinator, explains that the choice of Narvik as the export port is largely influenced by factors beyond Kaunis Iron's control. For example, the Cape Size vessels that customers often prefer cannot dock at the Port of Luleå. For these large cargo ships, Narvik is the viable option. "It's significant that Narvik is always ice-free, whereas Luleå is not. Cape Size ships almost exclusively operate in ice-free ports. Additionally, the vessel is too large for the Bothnian Bay and cannot reach the Port of Luleå," Sundberg says.

Logistics Manager Nils-Johan Haraldsson emphasizes that the current truck-based ore transport works well, but that the ongoing work to explore alternative logistics solutions is part of a broader strategic effort.

"Today, our truck transports are the most realistic and economically sustainable option, but we're also exploring heavier and electrified trucks, rail solutions, and a pipeline between Kaunisvaara and Pitkäjärvi. A pipeline could provide more efficient transport and reduce heavy road traffic. At the same time, it's a complex project that would require both permits and substantial investments."

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Image Attachments
Truck on the road