



Ekosolve pilot plant where 95.6% lithium extraction was achieved on Pocitos Argentina solar brines

EKOSOLVE NEWSLETTER

15 NOV 24

Ekosolve DLE News - Ekosolve selected for 3,000 tonne demonstration plant at Mt Vernon Texas. Following the demonstration plant, a 45,000 tonne Lithium Carbonate plant will be built. Ekosolve collects and regenerates 99.7% of its solvents used in the process. Ekosolve is seeking to raise US\$15m in equity by issuing shares to professional investors

HEADLINES

- **Ekosolve** appointed to build 3,000 tonne Lithium Carbonate demonstration Plant at geothermal plant
- **U.S. miner Piedmont Lithium** announced a new production record at the North American Lithium (NAL) operation in Quebec, as reported by Mining.com. The mine produced around 52,100 tonnes of spodumene concentrate in the third quarter, which is up five per cent from the previous quarter, when it produced a record 49,660 tonnes. Despite the positive results, Piedmont has reduced its workforce by almost half this year amid falling lithium prices.

Latest News

By Robin Zupanc

EkoSolve Limited

www.ekosolve.com.au

Phil@ekosolve.com.au

Mobile/Whats App

+61433747380

Phil Thomas CEO

Dr carlos Sorentino Chairman/CTO

Professor Dr Kathryn Mumford -

Technical Consultant

Critical issue

Despite the concerns for lithium, rare earths and nickel companies facing falling commodity prices and oversupplied short-term markets, PwC thinks we're likely to still see supply struggle to keep pace with demand.

"Beyond the short-term uncertainty, the big picture for critical minerals is clear. There is a vital link between global decarbonisation efforts and opportunities for Australian mining companies," PwC Australia national mining leader Mark Upcroft said.

"For that reason, demand for critical minerals will continue to rise significantly to meet the need for lower carbon technologies. In fact, it will be very challenging for supply to keep pace with demand."

Miners have some serious issues, though, when it comes to finding projects worth building."



Patagonia Lithium's Formentera salar and 1,000 tonne Ekosolve plant planned

Lithium Prices Move Higher

Spot prices for lithium carbonate in China have risen about 8 per cent since late October and are now at a three-month high, while the main lithium carbonate futures contract on the Guangzhou Futures Exchange has risen 14.56 per cent since November.

Lithium Price Trends

The Chinese government is introducing measures to expand subsidies for electric vehicles, a move that has fuelled the start of a rally in the metals sector, which is crucial to energy transition. Some market participants speculated that Trump's election win could encourage Chinese battery makers to snap up lithium ahead of a possible trade war.

Demand for lithium carbonate in November was stronger than the market expected for year-end off-season, said Zhang Weixin, an analyst at China Futures Co. He added that China's subsidies have acted as a positive stimulus, and battery makers may rush to export before trade barriers are implemented.

Analysts at China's Huatai Futures believe that strong demand may push lithium prices to continue to rebound by the end of the year. But in the long term, between the year of 2024 to 2026, global lithium carbonate market's will still be surplus, lithium prices in 2025 may continue to oscillate to find the bottom, with inflection point expected to arrive in 2026.

Australian spodumene producers find it tough going

Leah Chen, head of the battery metals team at S&P Global Commodity Insights, said China's recent stimulus measures appear to have boosted consumer confidence. Some cathode manufacturers have returned to the market to replenish inventories that have dwindled over the past few months.

On the supply side, a prolonged downturn in the lithium market this year – with prices still mired at less than a fifth of their peak at the end of 2022 – has led to mine closures or cost-cutting in Australia, China and elsewhere.

According to CRU Group, 190,000 tonnes of lithium mine capacity has been curtailed since the end of 2023, with a further 50,000 tonnes of projects forced to be delayed. Battery market analyst Cameron Hughes said CRU Group had cut its supply forecast for next year by 14 per cent. He noted that the lithium market has "tightened significantly", but CRU still sees an oversupply next year, given weaker demand growth.

CRITICAL MINERALS DROP IN PRICE EV'S

According to Adamas Intelligence's analysis, the raw material cost for an average electric vehicle has now dropped to \$537, much lower than \$1,342 in August 2023 and the monthly peak of over \$1,900 at the beginning of last year.

Among all the battery metals, lithium leads the decline, with the sales weighted average value per electric vehicle down 75% over the past year to \$236. Cobalt has a value slightly above \$46, down 42% compared to August 2023. Manganese is the only battery raw material showing positive growth this year, with an increase of 3%, but still down 8% compared to the same month last year. The value of graphite as an anode material has remained mostly stable, averaging just under \$26 per vehicle.

Battery chemistry is also evolving. According to the International Energy Agency (IEA), lithium iron phosphate (LFP) batteries have emerged as new stars of the battery industry, accounting for over 40% of battery demand in 2023, more than doubling the level from 2020. In August this year, LFP batteries accounted for 42% of global deployed capacity, up from 32% during the same month last year.

The value of nickel in electric vehicle batteries has decreased by 26%. Over the past year, demand forecasts for these two metals in batteries have also been steadily lowered.