



## Eye on Lithium: China's SVOLT flags major European battery expansion

Pic: Getty Images.

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- **SVOLT eyes the construction of five battery factories across Europe**
- **Koba Resources kicks off drilling program at the flagship Whitlock project**
- **Red Dirt Metals' Yinnetharra lithium project continues to deliver consistent, thick assay results**

Chinese battery maker, SVOLT Energy Technology, is looking to grow its presence in Europe with plans to build at least five factories across the continent in the north, east, and west in hopes to reach production capacity of 50 gigawatt hours by the end of the decade.

In an interview with Bloomberg, SVOLT Europe head Kai-Uwe Wollenhaupt says the battery industry in Europe is “really taking off” as discussions continue with several European automakers about battery cell agreements.

At least three of these deals are due to wrap up in the middle of the year.

Earlier this week, General Motors signalled its intention to move deeper into the mining supply chain through its plans to lead a Series B round of financing, worth up to US\$50mn, to help develop EnergyX's lithium extraction and refinery tech.

EnergyX is an American developer of direct lithium extraction technology, which can extract lithium metal directly from brine with the promise of producing cheaper, higher quality, and more environmentally friendly lithium than incumbent processes.

According to Reuters, GM believes the tech “could be the most efficient method to extract lithium from brine sources.”

## Chinese lithium prices continue to fall

Last month Chinese lithium prices fell hard on the back of sluggish demand from battery-end markets with reports suggesting electric vehicle manufacturers had to go to extremes like reducing employee working hours on the back of quiet market activity.

According to Benchmark Material Intelligence's (BMI) latest lithium price assessment, the April 5 – 12 reporting period was no different.

The price reporting agency says demand remained bearish, especially from the EV sector, despite more positive ESS demand sentiment.

“Sufficient stock of cells allowed EV makers to continue to draw down on their inventories and delay purchasing from battery manufacturers, which in turn weighed on the volume of orders for cathode materials placed by cell makers in China,” it says.

“Meanwhile further upstream, inventory levels with lithium converters were also reported to be high.

“Order frequency increased over the assessment period, but these orders tended to be for small volumes, as downstream players attempted to avoid paying unnecessarily high prices for material that was becoming cheaper day-on-day.”

At the same time, BMI says cathode manufacturers also maintained low stock levels, with midstream supply chain players procuring raw material volumes on a just-in-time basis, rather than maintaining an inventory buffer.

## Who's got news out?

### KOBA RESOURCES (ASX:KOB)

Koba has started a lithium focused drilling program at the flagship Whitlock project in Canada across previously mapped and highly prospective pegmatites.

Preliminary field activities are now underway and will continue to ramp up over the coming weeks with the arrival of a geological team.

“We are very optimistic that our team will be able to discover lithium-bearing pegmatites on our ground,” Koba managing director and CEO Ben Vallerine says.

“We have a very busy six months ahead of us with multiple phases of exploration to be undertaken across all three of our lithium projects in Canada and Australia.”

## RED DIRT METALS (ASX:RDT)

Red Dirt Metals' Yinnetharra lithium project continues to deliver with new assay results demonstrating consistent, thick, and predictable lithium mineralisation at the M1 pegmatite.

Additionally, assay results have also confirmed Jamesons as a significant lithium prospect with assays from rock chip samples returning a grade of 4.2% Li<sub>2</sub>O.

New hits include 29m at 1.39% from 121m, 21m at 1.13% from 71m, 17m at 1.06% Li<sub>2</sub>O from 52m, and 12m at 1.38% Li<sub>2</sub>O from 155m.

**Source:** <https://stockhead.com.au/resources/eye-on-lithium-chinas-svolt-flags-major-european-battery-expansion/>