

## **Infinity Lithium: “The projected battery demand from EVs produced in Europe is more than five times the volume of currently confirmed projects in Europe”**

May 22, 2019 - Infinity Lithium Corporation Limited (ASX:INF)  
([https://www.commodity-tv.net/c/search\\_adv/?v=298931](https://www.commodity-tv.net/c/search_adv/?v=298931))

In recent times we have seen a number of developments in the lithium space, all of which continue to support a strong investment case for Infinity Lithium Corporation. Infinity’s San Jose project is geographically and strategically well positioned to take advantage of long term shortfall in lithium supply required for European car manufacturers commitments to EV’s.

The San Jose Lithium Hydroxide PFS is due for completion late June/early July which we expect to further validate San Jose as a commercial project.

We thought this to be an opportune time to highlight some key points from McKinsey & Co and Rodney Hooper (Featured in Seeking Alpha).

If we can take away one point: **“The projected battery demand from EVs produced in Europe is more than five times the volume of currently confirmed projects in Europe”**. Therefore supply issues are expected and prices may rise.

**McKinsey & Co – May 2019: Recharging Economics, The EV-Battery Manufacturing Outlook For Europe:** “If this enormous opportunity is to be captured, stakeholders must act now, before EV manufacturers close decades-long supplier agreements—and leave latecomers to the EV-battery industry in the dust.”  
<https://www.mckinsey.com/industries/oil-and-gas/our-insights/recharging-economies-the-ev-battery-manufacturing-outlook-for-europe+&cd=2&hl=en&ct=clnk&ql=au>

- Establishing battery manufacturing in Europe, however, could not only secure EV-production and other manufacturing jobs but also create new jobs in area.
- The projected battery demand from EV’s produced in Europe is more than five times the volume of currently confirmed projects in Europe.
- To minimize this risk, EV manufacturers may be well advised to integrate more closely with cell manufacturers that have strong control over their own supply chains.

**Rodney Hooper – May 2019: European Battery Plant Expansion And Their Implied Lithium Demands**  
**VW released a "manifesto" acknowledging lithium as the "irreplaceable element in the electric era"**

<https://seekingalpha.com/amp/article/4265367-european-battery-plant-expansion-implied-lithium-demands>

- A range of companies have recently committed to constructing or expanding battery cell plants in the EU - by 2023/2024, the expected effective capacity is 147 GWh.

- The EU has no meaningful lithium chemical production facilities; **VW has announced plans to support mining projects in Central and Southern Europe to feed its German production base.**
- **There are very few economically viable projects in the region, leaving investors with a short list of listed equities to choose from.**
- Northvolt: The company has just secured a EUR350m loan from the EIB to build a plant planned to produce a total of 32 GWh, by 2023 in Sweden. This is the start of efforts by the EU to create local battery suppliers to compete with the established Asian players like CATL and LG Chem. **Based on these estimates for 2023, there will be a ~80,000T supply shortfall – note San Jose to come into production end of 2022/ ramp up 2023**

The projected demand for Electric Vehicles and their lithium-ion batteries is very strong with supply shortfalls for lithium-ion expected by 2023. As such, Infinity is well placed for the future.

Regards,  
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### **About Infinity Lithium**

Infinity Lithium is an Australian listed minerals company who is seeking to develop its 75% owned San Jose Lithium Project and produce battery grade lithium hydroxide. Supply response is needed to satisfy Europe's burgeoning energy storage needs through feeding the large-scale battery plants currently under construction.

The San Jose deposit is a highly advanced, previously mined brownfields development opportunity representing one of Europe's largest lithium deposits. Infinity Lithium will mine the hard rock Mica resource and develop processing facilities to provide what would currently be the sole European mine-to-end-product lithium hydroxide operation.