

Namibia lithium-ion battery technology

Africa-Press – Namibia. Namibia's lithium revenues, based on Simonis Storm estimates, could exceed all other commodities combined, and could therefore improve the country's trade and current account balances as well as gross domestic product growth rates.

This is according to a Lithium Report compiled by the local stock brokerage and released this week. "Given our estimates, the local lithium sector's revenue to government would be the largest, compared to all other commodity mining operations in Namibia", it stated.

In the report, SS cautions about a long-term view on lithium, given a threat of new entrants to the battery and Electric Vehicle (EV) market. "It can well be that lithium is not the preferred mineral for battery, renewable energy, equipment and electronic consumer goods production in the long run," Simonis Storm observed. The report noted that restarting lithium production in Namibia after 1998 can be a good development for the local mining industry and the country's economy. SS pointed out that given the capital-intensive nature of general mining, it is not expecting lithium to contribute to major boosts to socio-economic indicators such as employment, but does view the renewed interest in Namibian lithium mining as a positive for export earnings and government revenue.

"Using an average rand to USD exchange rate of 18, these figures are as high as N\$13.9 billion in terms of the sector's value, N\$4.6 billion in revenue to government (taxes and royalties combined) in the extreme case and N\$1.7 billion in the conservative case", the SS report states. Prices for lithium more than doubled last year, as demand from the electric vehicle industry outstripped supply.

In comparison, mid-year estimate figures for the current financial year show diamond mining companies could pay N\$1.6 billion in taxes and N\$1.5 billion in royalties. For non-diamond mining companies, taxes paid are estimated at N\$576 million, and royalties at N\$618 million. The Simonis Storm

report further stated that timing and ore grades are big considerations in mining. An opportune time to invest, whether as a mine or individual investor, is usually once the bubble has burst, which it stated the global lithium price data shows has occurred.

"It is important to note that Namibia's estimated lithium reserves have grade concentrates far below the global standard of 6%. So, Namibia's lithium exports will fetch a lower global price per tonne and so the estimates above could be overstated,

China is the world's top lithium refiner, and a leading producer. However, Western governments and companies are trying to challenge that, and see Africa's lithium reserves as an opportunity. Africa's lithium production is set to rapidly increase this decade. From 40 000 tonnes this year, the continent will likely

produce 497 000 tonnes in 2030, commodities trader Trafigura estimates, with the bulk of that coming from Zimbabwe.

That country in December imposed a ban on raw lithium exports, a measure aimed at stopping the smuggling of lithium ore, and spurring mines to process in the country.

Namibia will follow that example.

"We are saying to ourselves, if you have got the minerals that everybody wants now, you need to make sure that at least you probably mine those minerals differently, and not in the usual manner," Namibia's mines minister Tom Alweendo told Reuters in an interview at the "Investing in African Mining" Indaba in Cape Town in February.

"We are going to insist that all lithium mined within the country has to be processed in the country." Meanwhile, the local stock brokerage emphasised that lithium

Contact us for free full report

Web: <https://www.kary.com.pl/contact-us/>

Email: energystorage2000@gmail.com

WhatsApp: 8613816583346

