

The Motley Fool

The loneer (ASX:INR) share price has rocketed up 11% today and 61% in November

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26 November 2020

The loneer Ltd (ASX: INR) share price rocketed up 11% in afternoon trading. That makes the lithium stock a top performer among ASX shares listed on the All Ordinaries Index (ASX: XAO).

It's also enough to bring loneer's share price gains to 61% so far in November. And investors who picked up shares on 28 September, less than 2 months ago, will be sitting on gains of 190%.

We'll look at what's driving the loneer share price surge in a tick. But first...

What does loneer do?

loneer is a lithium project developer. Its low-cost Rhyolite Ridge lithium-boron project is located in the United States state of Nevada. The company forecasts the project will be 'construction ready' in the second quarter of 2021.

Why is the loneer share price surging higher?

Investors are banking on loneer's Rhyolite Ridge project coming through with low cost lithium. The US Bureau of Land Management gave the project the green light on 31 August.

There has been no fresh news released to market today to see the loneer share price leap 11%, and the lithium price has been fairly flat this month. But as the world transitions to electric vehicles and battery storage for solar and wind driven energy generation, demand is forecast to surge.

Last Wednesday 18 November, loneer reported it had become a founding member of the new Zero Emission Transportation Association (ZETA) in the US.

loneer noted that its Rhyolite Ridge Lithium-Boron Project was the most advanced lithium project in the US.

Commenting on its founding status in ZETA, loneer managing director Bernard Rowe said:

loneer's mission is to support a sustainable, lower carbon future through the responsible production of lithium carbonate, lithium hydroxide and boric acid, which are vital materials to reducing greenhouse gas emissions and creating a globally sustainable future. We view a global shift to electric vehicles as central to our mission.

As the most developed lithium project in the United States, not only are we excited to be working closely with fellow leaders across the automotive supply chain, we understand the importance of ensuring US national policy supports a greener future.

That greener future isn't just part of US national policy, though electric vehicles and green energy will surely get a boost under President-elect Joe Biden. The United Kingdom also aims to be a world leader in the field, announcing the ban on sales of new petrol and diesel vehicles commencing in 2030. Canada plans to follow suit in 2035.

With the loneer share price up 190% in less than 2 months, could this be one company to keep an eye on?