

Australia's ioneer signs lithium offtake deal with South Korea's Ecopro

By Reuters Staff

June 30 (Reuters) - Australian lithium-boron supplier ioneer Ltd said on Wednesday it would supply lithium carbonate to a unit of South Korean battery maker Ecopro Co Ltd from its Rhyolite Ridge project in Nevada.

Lithium, an essential component of electric vehicles (EVs), is becoming increasingly important with EV demand surging globally as countries race to meet emission targets and move towards cleaner modes of transportation.

Under the terms of the three-year offtake agreement, ioneer will deliver up to 7,000 tonnes of lithium carbonate per annum to Ecopro Innovation.

The deal marks one of the first offtake agreements for a lithium project in the United States as it pushes to go electric. For ioneer, it represents up to 34% of annual lithium carbonate output for the first three years of production.

The company expects to produce an annual average of roughly 20,600 tonnes of lithium carbonate, or 22,000 tonnes of lithium hydroxide, and 174,400 tonnes of boric acid over 26 years from the Nevada mine.

The Rhyolite Ridge project was dealt a blow earlier this month after the U.S. Fish and Wildlife Service said it would propose listing a rare flower that grows in the vicinity of the mine as an endangered species.

Shares of ioneer jumped as much as 8.8% to A\$0.37, their highest level in almost three weeks. (Reporting by Tejaswi Marthi in Bengaluru; Editing by Subhranshu Sahu)