Hallgarten Initiates Coverage of Edison Lithium: Pivoting to Sodium-Ion Battery Technology

written by InvestorNews | December 29, 2023

Edison Lithium Corp. (TSXV: EDDY | OTCQB: EDDYF), a forward-looking player in the evolving battery metals market, is pivoting towards Sodium-Ion battery technology, as detailed in a comprehensive report by Hallgarten + Company. This strategic shift comes amidst a surge in demand for Electric Vehicles (EVs) and a heightened focus on sustainable and efficient energy storage solutions.

In 2021, Edison Lithium expanded into the Lithium salares in Argentina, a move aligning with the country's emergence as a major lithium producer, often referred to as the "Saudi Arabia of Lithium." This venture proved lucrative when Edison sold 80% of its Lithium package for triple the purchase price, while retaining key assets. The sale aligns with the company's strategic pivot towards sodium-ion technology and the broader market trend of seeking alternatives to lithium-ion formulations, driven by concerns over the environmental impact and long-term viability of lithium-based batteries.

The report emphasizes the increasing interest in sodium-ion batteries, partly due to their potential for reducing the carbon footprint compared to lithium-ion batteries. Edison Lithium's recent endeavors include acquiring concessions for sodium sulphate in Saskatchewan, Canada, through a deal with Globex Mining Enterprises Inc. This acquisition positions Edison at the forefront of the sodium-ion battery supply chain.

Sodium-ion batteries, while not new, have gained renewed

interest due to the rising costs and environmental concerns associated with lithium-ion batteries. These batteries use sodium ions as charge carriers and offer advantages like lower production costs and abundance of sodium, especially from brines. However, challenges such as lower energy density and limited charge-discharge cycles hinder their mass adoption.

Major industry players like Northvolt AB, Tesla Inc. (NASDAQ: TSLA), China's BYD Co. Ltd. (OTC: BYDDF), and startups like Peak Energy are exploring sodium-ion technologies, primarily for stationary applications. Northvolt, for instance, has developed a sodium-ion cell with energy density comparable to lithium iron phosphate cells, indicating potential for broader applications in the future.

The report highlights the geological and historical context of sodium sulphate mining in Saskatchewan, which dates back to 1918. The region's unique geology, featuring shallow hypersaline lakes and extensive sedimentary rock formations, has facilitated the accumulation of sodium sulphate deposits. These natural resources could play a pivotal role in Edison Lithium's pursuit of sodium-ion battery technology.

In summary, Edison Lithium's strategic shift towards sodium-ion battery technology represents a significant move in the evolving landscape of battery metals. This pivot not only aligns with global trends towards more sustainable energy solutions but also positions the company to capitalize on the abundant resources and growing market interest in sodium-ion technologies. The Hallgarten + Company report underscores Edison Lithium's proactive approach to adapting to changing market dynamics, ensuring its relevance and competitiveness in the burgeoning field of battery technology.