

## Lithium remains one of the most exciting markets for investors



Those who position themselves in the lithium market today could be tomorrow's winners.

Over the past few days up to October 19, the shares of the Australian lithium company Lontown have lost 20 percent in value. Although the share was officially suspended from trading, prices were quoted, for example, OTC (over the counter, i.e. outside the official stock exchanges). Why would something like that be good for the overall lithium market? The price drop came about because one of the largest lithium producers on earth, Albemarle, backed out of a takeover attempt. But this was hardly because Lontown's deposits are not good enough.

A rival came onto the scene that had bought into Lontown through the market, Hancock Prospecting. This group is part of the empire of Australian billionaire Gina Rinehart, which also includes the Fortescue iron ore group. Hancock had recently increased its stake in Lontown to 19.9 percent.

Officials shared Albemarle's comments, "Today's announcement is consistent with Albemarle's disciplined approach to capital allocation and the company will continue to execute on its long-term growth strategy. Planned expansions to achieve volumetric growth continue to progress across the company's global portfolio. Albemarle's capital allocation priorities continue to be investing in high-yield organic and inorganic growth, maintaining its financial flexibility and investment-grade credit rating, and funding its dividends." That should mean the lithium market remains hot.

The big corporations, as well as automakers, are desperate for good projects. A flood of takeovers is likely to result. To fend them off, mergers are also expected to form more powerful groups in the lithium sector. In the medium term, this should pull up the share prices of companies with lithium projects. In the case of acute takeover bids, they may even jump. Therefore, those who position themselves early in promising

lithium companies are likely to profit even without a direct buyout offer. These promising companies include, for example, Alpha Lithium and US Critical Metals.

**Alpha Lithium** - <https://www.commodity-tv.com/ondemand/companies/profil/alpha-lithium-corp/> - is developing the Salars Tolillar and Hombre Muerto in Argentina, two high-grade lithium deposits.

In Nevada (Clayton Valley and McDermitt Caldera), Idaho and Montana, **US Critical Metals** - <https://www.commodity-tv.com/ondemand/companies/profil/us-critical-metals-corp/> - is taking care of its projects. These contain lithium, rare earths and cobalt.

Current corporate information and press releases from Alpha Lithium (- <https://www.resource-capital.ch/en/companies/alpha-lithium-corp/> -) and US Critical Metals (- <https://www.resource-capital.ch/en/companies/us-critical-metals-corp/> -).

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