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LITHIUM FORECAST
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Lithium Trends 2017: EV Plans Fuel Supply Concerns

What happened in the lithium market this year? Here's a look at the major lithium trends of 2017, from megafactory announcements to offtake agreements.

With the popularity of electric vehicles (EVs) growing at an unstoppable speed, lithium continued to be a hot commodity in 2017.

But what were the major trends in the lithium market? Here, the Investing News Network looks back at what happened in the space, including megafactory announcements and offtake agreements.

Read on for an overview of the factors that impacted the lithium market in 2017, from the main supply and demand dynamics to how analysts thought the metal performed in each quarter of the year. Overall, experts agree that the excitement seen this year is unlikely to let up.

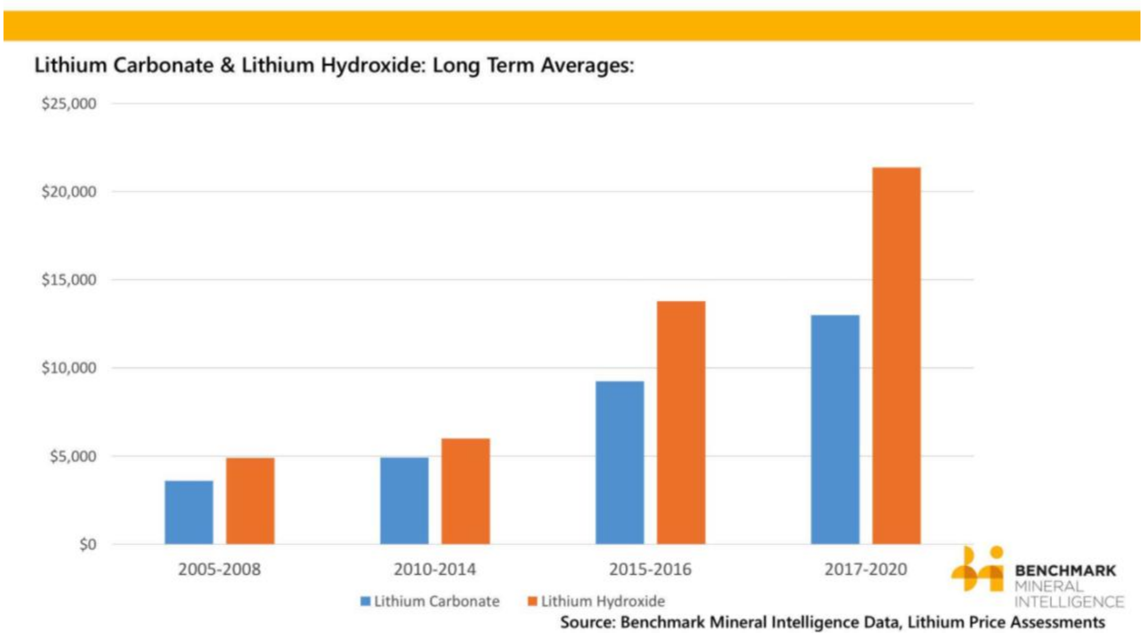

Chart via Benchmark Mineral Intelligence.

Lithium trends Q1: Supply concerns increase

For the past three years, Tesla (NASDAQ:TSLA) has brought much excitement to the lithium space, and 2017 wasn't an exception.

In January, the company started production at its Nevada facility, which is expected to produce 35 GWh per year of lithium-ion battery cells in 2018. During Q1, the Elon Musk-led company also announced plans to open two to three EV gigafactories by the end of 2017, boosting excitement among investors.

But as many analysts say, Tesla is just one story, and this year many carmakers started to outline plans to win a space in the electric car race. In fact, in Q1, analysts at UBS (NYSE:UBS) raised their forecast for global EV sales in 2021 to 3.1 million units from 2.5 million, and to 14.2 million units in 2025.

This surging demand for EVs is expected to push demand for lithium-ion batteries above 400 GWh by 2025, Benchmark Mineral Intelligence says. That means supply of lithium, a key component in the batteries, will need to reach 400,000 to 500,000 tonnes by the same year.

"There's much more consensus on demand; we're no longer even debating demand. We're shifting to supply and whether, as an industry, we can deliver," John Kanellitsas, vice-chairman of Lithium Americas (TSX:LAC), said earlier in 2017.

Most analysts agree that the world is not short on lithium. The "lithium triangle," which overlays Argentina, Bolivia and Chile, holds 54 percent of the world's lithium resources, which currently sit at a total of 14 million MT. But while reserves are large, bringing projects into the lithium market is not always easy; after all, it can take years for a new mine to be producing at full speed.

In Q1, China continued to be a key player in the EV space, in part due to environmental pressure. The government is pushing for all-electric battery cars and plug-in hybrids to account for at least one-fifth of its vehicle sales by 2025. China already produces 55 percent of lithium-ion batteries globally, and its share is forecast to grow to 65 percent, according to Bloomberg New Energy Finance.

"This is about industrial policy. The Chinese government sees lithium-ion batteries as a hugely important industry in the 2020s and beyond," said Bloomberg New Energy Finance analyst Colin McKerracher.

Lithium trends Q2: Supply worries push prices up

In Q2, the market was flooded with news stories about electric cars and the huge amount of lithium demand that could hit the market in the next few years.

"The success of EVs will depend on our ability to deliver lithium to the world," Lithium Americas CTO David Deak said at this year's Benchmark World Tour stop in Toronto, adding that "the lithium market must grow by a factor of 20 for a world that runs on EVs."

In fact, analysts believe that despite the world's large lithium reserves there is not enough supply in the pipeline to satisfy the expected demand by 2025. "It is our expectation that the lithium industry will struggle to keep up with demand between now and 2021. [We don't expect an] oversupply [in the market]," said Benchmark Managing Director Simon Moores.

Looking over to the major news stories in Q2, Argentina's new mining deal, which could see its lithium carbonate output rise substantially by 2022, was one that impacted the market. If the new mining act brings the expected investments, the country could triple production in the next five years.

Lithium expert Joe Lowry said earlier this year that the country could develop two more world-class assets within the next four or five years. "Given the number of producers, and the relative ability to bring new production online, I believe that by 2021 or 2022, Argentina will be outproducing Chile," he said.

Another big news story that hit the market in the second quarter was worries that Tesla might not be able to deliver its Model 3 on time due to a battery shortfall.

Moving into Q3, pricing in China was estimated to go up rather than down — back into the upper teens for lithium carbonate and slightly higher for hydroxide, both of which are considered battery-grade lithium, expert Lowry said at the time. "My "new normal" prices are \$12-14/kg range for carbonate pricing and \$18-22/kg for hydroxide," he said in his Lithium Halftime report.

Similarly, Benchmark analysts said that the average global price of lithium carbonate rose by 9 percent in Q2, "led by pressures into the Asian battery sector in particular."

Lithium trends Q3: Automakers outline EV plans

At the beginning of the second half of the year, announcements from major governments hit the lithium market. France, the UK and potentially China all outlined plans to ban fossil fuel cars by 2040. Other countries have also set electric car sales targets or have hinted at bans on ICE cars in the coming years; such countries include Norway, Germany and the Netherlands.

In addition, several carmakers said they will electrify most of their models by the mid-2020s, including Volvo (STO:VOLV), BMW (ETR:BMW), GM (NYSE:GM), Mercedes, Dyson and Ford (NYSE:F).

Partnerships between major carmakers and Chinese firms were also a major trend during the quarter, with Renault-Nissan and Ford fighting for a place in the surging EV market.

In the third quarter, sales of EV and plug-in hybrid batteries exceeded 287,000 units, up 63 percent compared to the same period last year on the back of strong Chinese demand. That number is expected to increase significantly as the electric car revolution continues to unfold.

Another major news story in Q3 was producers' long-term contract strategies. As mentioned, processing lithium for use in batteries can be challenging; as a result, producers are on the hunt for ways to ensure they have enough funding to meet future demand. Top lithium producers such as SQM (NYSE:SQM) and FMC (NYSE:FMC) are reportedly betting on long-term agreements to fund expansions.

In Q3, the London Metal Exchange also started to consider introducing a lithium contract to give investors exposure to growth in EVs. But expert Lowry commented at the time that even though he expects a lithium contract to be launched at some point, it is likely a few years off.

"[The] lithium market is still too small for the LME to implement a contract but there is no question that it is desired from by major purchasers," he said in August.

In September, Australia-listed Kidman Resources (ASX:KDR) and Chile's SQM agreed to form a joint venture to develop the Mount Holland lithium project. This type of alliance could be critical for lithium supply, Lowry explained in an interview earlier this year.

Later in the quarter, Volkswagen (FWB:VOW) said it was looking to invest $60 billion into electric car content, including batteries, and was aiming to sign supply deals for raw materials by the end of the year.

Before the end of Q3, Australian Pilbara Minerals (ASX:PLS) signed a lithium offtake deal with Chinese car manufacturer Great Wall Motor (HKEX:2333) to further develop its flagship Pilgangoora lithium-tantalum project. The deal was seen as a milestone in the space, as it was the first investment deal by an automaker into an upstream supplier of lithium raw materials. Until now, offtake agreements have in general been with chemical manufacturers and traders rather than carmakers.

After the news, lithium expert Chris Berry said security of supply is still underappreciated. "[It's] going to be interesting to see how/if other automakers move to secure raw material access," he added.

Lithium trends Q4: Will lithium jump to mainstream?

As the year comes to an end, many market participants believe 2017 has been the year of the electric car. But as carmakers realize how much supply is required, investments will be needed to ensure that lithium jumps from a niche market to mainstream, Moores said in an October interview.

Looking at major Q4 news stories, several companies started to show interest in a stake in SQM. The company has reportedly attracted interest from mining giant Rio Tinto (ASX:RIO,LSE:RIO,NYSE:RIO), China's GSR Capital, Sinochem International (SHA:600500), battery firm Ningbo Shanshan (SHA:600884) and Tianqi Lithium Industries (SZSE:002466).

SQM is currently in a legal dispute over its lithium lease with Corfo, Chile's state-run development agency; it may not be resolved until the end of 2018.

Another major news story in Q4 came from LG Chem (KRX:051910), which outlined plans to invest $1.63 billion to open the biggest lithium-ion battery factory in Europe. China currently leads in the production of EV batteries, but car manufacturers have been calling for Europe to start producing the batteries in order to remain competitive.

Benchmark is now tracking 26 battery cell plants that are expected to start production or expand capacity by 2022. In 2014, there were only three battery megafactories in the pipeline. "The combined planned capacity of these plants is 344.5GWh. To put that into perspective total lithium ion cell demand in 2017 is estimated at 100GWh," but the industry needs to scale up, the firm said.

In fact, Cairn Energy Research estimates that lithium-ion battery demand will reach 750 GWh by 2026. And according to Benchmark, the increasing demand for raw materials key in batteries will see the need for lithium raise from 75,000 tonnes in 2016 to 550,000 tonnes by that time.

Lithium Outlook 2018: Higher Supply and Demand

As 2017 comes to a close, experts share their thoughts on the lithium outlook. Overall a strong future is expected for this crucial battery metal.

Demand for electric cars continued to grow in 2017, and lithium, a key metal used in the batteries that power them, performed better than many expected.

Investor interest in the metal surged as lithium and electric vehicles (EVs) made news headlines throughout the year. Prices were up, and many TSX- and TSXV-listed stocksjumped over 100 percent in 2017.

With the start of 2018 just around the corner, many investors are now wondering what will happen to lithium next year. Here, the Investing News Network looks at lithium's 2017 price performance, what analysts had to say about the market and what's ahead for the metal in 2018. Overall, market participants continue to be optimistic about lithium's future.

Lithium outlook 2018: Price performance review

Looking back at how lithium prices performed in 2017, it's clear that prices remained strong throughout the year. As the chart below from Benchmark Mineral Intelligence shows, that has been the trend for the last few years as well.

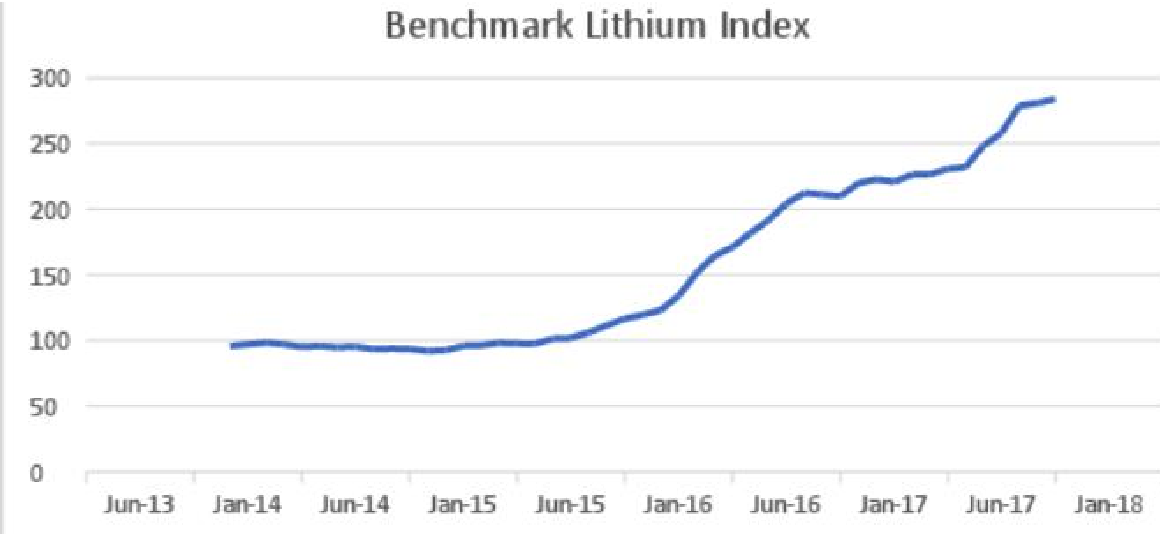

Chart via Benchmark Mineral Intelligence.

"The continued pricing strength in lithium has been a surprise," said Chris Berry of House Mountain Partners and the Disruptive Discoveries Journal. He added that his previous demand forecast out to 2025 for lithium ended up being too low.

"I thought the lithium market (on a LCE basis) would grow to roughly 550,000 tonnes per year, [but] in the middle of the year I adjusted this upwards to 617,000 tonnes by 2025. This still appears too conservative based on potential gigafactory-scale expansion," he added.

In fact, Benchmark Mineral Intelligence is now tracking 26 megafactories, up from just three back in 2014. The combined planned capacity of these plants is 344.5 GWh. To put that into perspective, total lithium-ion cell demand in 2017 is estimated at 100 GWh.

While that number might seem high, global lithium-ion battery demand is expected to grow between six and seven times by 2026, which will require a battery pipeline of nearly double what exists today.

"We said a few years ago that the present lithium price run will continue, and it has. It has, and it's gone into a second phase now," Benchmark Mineral Intelligence Managing Director Simon Moores told the Investing News Network at this year's Cathodes conference.

"Quite simply, there's not enough supply to meet the demand, and the demand is increasing quicker than the supply is. Much, much quicker. Therefore, lithium's price will remain strong for some time," he added.

For his part, lithium expert Joe Lowry said in his Lithium in Review report that "2017 was a year when virtually all the positive surprises were on the demand side and most of the negative surprises were on the supply side." The expert also recently explained that the "Star Alliance of the lithium market" was one of the major trends this past year.

Lithium outlook 2018: Supply and demand

Looking ahead to 2018, supply constraints look set to continue as the lithium demand forecast rises.

In terms of demand, analysts agree that the lithium space will be led by battery production. "While most of the major battery expansions are due to come into production closer to 2020, a lot of battery producers will be looking to secure their raw material supply chains ahead of these expansions," Benchmark Mineral Intelligence analyst Andrew Miller explained.

He also expects to see continued growth in the volume of lithium carbonate and lithium hydroxide sold into the battery sector in 2018.

Looking over to supply, many existing producers are seen expanding production in 2018, such as Albemarle (NYSE:ALB) in Chile and hard-rock producers in Western Australia. "In terms of new projects, spodumene will be the main source of expansion in the short term," Miller said.

He mentioned Pilbara Minerals (ASX:PLS), which expects to be in production by the second half of 2018, and Nemaska Lithium (TSX:NMX), which recently announced its first delivery of lithium hydroxide, as some examples. "A number of others are pushing ahead with developments in 2018, but it will likely be 2019 onwards before they reach significant volumes," Miller added.

Similarly, Berry said that more hard-rock lithium supply from Australia is expected to hit the market in 2018, with a wave of brine supply following later in 2019, "so I don't see any real moderation in pricing until later in 2018 at the earliest."

For his part, Lowry said in his report that execution of the key hard-rock projects in Australia, such as Pilbara Minerals and Altura Mining (ASX:AJM), will be "a bellwether for future pricing trends." He added, "[h]owever, the most important supply side story from my perspective in 2018 will be the resolution of the SQM/CORFO situation."

Moores said the biggest challenge for the industry will be to bring lithium into the mainstream. "The industry needs big money to come into the space, it needs for the big players to understand the opportunities here. It needs these companies to understand that they have to secure the whole supply chain, from the mine to the battery, if they're going to realize [their] very bullish targets," he commented.

He believes the industry needs to raise another $7 to $9 billion to get to where it needs to be by about 2025 to 2026. Meanwhile, Lowry said earlier this year that because investments have been delayed for so long, he doesn't believe that enough lithium can be brought into the market by 2025 to do more than 10-percent EV penetration.

Lithium outlook 2018: Key factors to watch

After another strong year, lithium-focused investors are wondering what to expect in 2018. For Miller, one of the biggest trends for the industry in 2018 will be the introduction of more raw material feedstock and whether there is the necessary capacity to process this material in the short term.

"This has been a development in the market throughout H2 2017 as the market has shifted from an undersupply of raw material to conversion capacity," he said, adding that this trend will likely continue with the additional raw material expansions planned for 2018. "The question is how quickly this feedstock material can be converted and integrated into the supply chain," Miller noted.

In terms of prices, Miller expects them to be "more stable next year," although the market will remain finely balanced. "New raw material supply will continue to enter the market, and although there will be significant growth in battery demand, lithium-ion battery production won't reach the levels expected 2020 onwards," he explained. He believes a lot will hinge on conversion capacity and producers' ability to increase battery-grade production.

For his part, Lowry said that this year the new normal for lithium carbonate was $12 to $14 per kilogram outside of China, and $18 to $22 per kilogram for lithium hydroxide. "Going forward, I see a gradual convergence of the prices, just because most of the capacity, as for hydroxide now, are based on the hard rock process, which has similar cost structures for carbonate and hydroxide," he added.

Most recently, Lowry said in his report that if some of the anticipated new capacity is delayed, "pricing in the $30s is not out of the question."

Another factor to keep an eye on is China, which will continue to lead the way in 2018, "both in terms of lithium-ion expansions and raw materials sourcing," Miller said. An interesting development that the analyst expects to continue is ongoing efforts from auto original equipment manufacturers (OEMs) to secure raw material supply chains.

"With the major targets for EVs, producers will have to look further upstream than ever before, and this could change the dynamics of raw material markets," Miller added.

Similarly, Lowry said that the problem is that car and battery companies want to negotiate from strength and "tend to be bullies when dealing with their suppliers." He added, "they are trying to price shop in a seller's market. It will take time for them to realize the reality of the lithium market — lithium suppliers are in the driver's seat," he added.

For his part, Berry said interest in lithium opportunities has only intensified this year, and he expects this level of interest to continue going forward. "I have been bullish on this sector for several years now, and see no reason to change that view as the market cap expansion of various companies has opened them up as investment opportunities to a whole new class of investor," he said.

Berry summarized the factors investors interested in lithium should pay attention to in 2018 as follows:

- Keep a close eye on the trend in EV sales both inside and outside of China;
- Watch for any deal between CORFO and SQM (NYSE:SQM) in Chile;
- Watch to see how Albemarle is able to ramp its operations in Chile;
- Watch to see the valuation and success of FMC's (NYSE:FMC) spin out of its lithium business;
- Watch for the pace of project development in Argentina and the maturing political situation in the country;
- Watch the pace of funding in the lithium sector for any drop off;
- Watch to see how all of the announced lithium-ion battery factory capacity gets funded;
- Watch for advances in autonomous vehicle technology and adoption — understanding how this will affect the insurance markets is important;
- Watch for a major downstream player such as an OEM to make a sizeable investment in mining capacity — this is the real key to growth in the sector going forward

Lithium Forecast 2018: Execs Weigh In

Execs from Pure Energy Minerals, Wealth Minerals, Orocobre and Argentina Lithium and Energy share their lithium forecast for 2018.

Electric v ehicles (EVs) made headlines throughout 2017, with many saying the year was the "tipping point" of the EV revolution. As a result, interest in lithium, a key component of the lithium-ion batteries used to power these cars, continued to increase.

But what will happen to lithium next year? To find out, the Investing News Network reached out to a number of companies in the space to get their thoughts on what's ahead for lithium in 2018.

Patrick Highsmith, CEO of Pure Energy Minerals (TSXV:PE); Tim McCutcheon, president of Wealth Minerals (TSXV:WML); Nikolaos Cacos, CEO of Argentina Lithium and Energy (TSXV:LIT); and Andrew Barber, investor relations manager at Orocobre (TSX:ORL), were all able to provide insight. Read on to learn their thoughts on the lithium forecast moving ahead.

Lithium trends 2017: Better performance than expected

Lithium had a strong 2017, with many investors turning to the battery metal on expectations of increasing demand from the EV sector.

This time last year, Orocobre's Barber anticipated that 2017 would see lithium prices remain firm and actual supply continue to be tight. "We continued to achieve an average price in excess of $11,000 per tonne, and it is clear that there continues to be significant headwinds for new lithium production," he said, adding that supply additions remain overstated.

Similarly, Pure Energy's Highsmith expected prices to soften after 2016's run up. "Clearly we were wrong, as both carbonate and hydroxide prices have moved up strongly on a year-to-date basis," he said.

Meanwhile, Wealth Minerals' McCutcheon explained that the market has been experiencing a major shift as the electric car revolution unfolds. "The paradigm shift is ongoing, and I don't think anyone expected otherwise. And therefore the price of lithium reflects that," he noted.

One of the key trends seen in 2017 has been increasing EV sales forecasts, which have made "the end game much clearer," Orocobre's Barber said. With that in mind, he believes that for the broad lithium market the supply model has to change to meet enormous future demand.

"Access to technical skills and experience will mean that brownfields expansions are the lowest risk and fastest to market, while access to financing remains a key constraint for new projects," he said, adding that for producing companies like Orocobre, "strategic relationships will remain key, from both the production and consumption perspectives."

Pure Energy's Highsmith also mentioned investment as a huge challenge in the market. "The list of players remains relatively small, and the velocity of capital is slow compared to more 'mainstream' commodities such as gold. We believe this relates in large part to investor education and outreach, which remains a key theme for many lithium players," he commented.

Similarly, Wealth Minerals' McCutcheon said the lithium space is quite small, which creates confusion and issues in terms of "just getting clarity on the market to the general investor public."

For his part, Argentina Lithium's Cacos said one of the biggest challenges this year has been that "competition for buying lithium projects has intensified, driving up acquisition prices."

Lithium forecast 2018: Lithium prices to remain strong

Looking ahead to 2018, investors are wondering whether the electric car revolution will continue to have an impact on lithium, and more importantly, what to expect from the market going forward.

In terms of prices, Orocobre's Barber said current lithium carbonate (LCE) pricing is running at around $12,000 to $14,000, while lithium hydroxide prices are $2,000 to $3,000 higher. He forecasts that this trend will "remain firm" going forward.

For the 2018 fiscal year, Orocobre is forecasting approximately 14,000 tonnes of LCE production at an average price of more than $10,000, subject to market and operating conditions. "Global market fundamentals for lithium remain intact for 2018, with strong demand growth, tight supply and attractive pricing," Orocobre's Barber said.

Argentina Lithium's Cacos agreed, saying that with automotive and other industries moving toward electric power, demand is set to keep growing, and this will likely push prices higher. Wealth Minerals' McCutcheon expects to see a continuing trend of permanently higher lithium prices in 2018.

Pure Energy's Highsmith also expects a similar price environment next year — "strong, but with somewhat lower volatility than in 2016." He also said, "the market for lithium … will continue to mature and build to unseen demand levels. Regardless of where we are in the price cycle, it is important to remember that the best developers will focus on low-cost projects that can weather the cycles."

Pure Energy's CEO also expects the market for lithium equities to mature, while more knowledge and more concrete advances will likely help investors identify quality companies and projects.

Similarly, Wealth Minerals' McCutcheon said that as investors mature regarding their understanding of the lithium industry, "they certainly will start seeing more differentiation between different companies and what they are trying to do."

For his part, Argentina Lithium's Cacos suggested investors focus on lithium companies that have established exploration track records, good in-house lithium experts and expertise in working in the jurisdiction in which they operate.

Orocobre's Barber added that for investors "there are no more compelling investment attributes than experience, strategic relationships and proven capabilities. The lithium market is no exception."

Pure Energy's Highsmith said investors should do their homework, and attend conferences where they can meet management personally or at least by video conference. "[Investors should] consider the differences between lithium and other mining investment opportunities. [In lithium,] different formulas for success may apply than in gold stocks, for instance," he added.

Lithium forecast 2018: What's ahead for companies

As the year comes to a close, the execs had a slew of achievements to highlight from 2017 and many more catalysts to look forward in the year ahead.

For Orocobre, 2017 has been a milestone year, as it emerged as the first new lithium brine producer in 20 years. The company reached production of just under 12,000 tonnes of lithium carbonate, representing over 5 percent of the global lithium market.

"We achieved this milestone after more than 10 years operating in Argentina, giving us deep experience, strong strategic relationships and vital community links in the Olaroz region," Barber said. Looking ahead, Orocobre is working with its joint venture partner, Toyota Tsushu (TSE:8015), towards further expansion.

"We continue to investigate the expansion of our Olaroz facility and the construction of a lithium hydroxide facility in Japan," added Barber, saying that a final decision will be made around the first half of 2018. Assuming stable performance from stage 1 at Olaroz, this expansion will see production double at Olaroz, coupled with a 10,000-tonne-per-annum lithium hydroxide plant in Japan.

In 2017, Argentina Lithium had set out to build a "sizeable, quality property portfolio in some of the best areas within the Lithium Triangle," Cacos shared. The company acquired two major projects: Arizaro, a big stake in the largest salar in Argentina, and Incahuasi, which covers the entire salar in Catamarca.

"With drill programs underway, success in identification of economic lithium-bearing brines could lead to an exponential rise in the price of the shares and market valuation," Argentina Lithium's Cacos said.

This year, Pure Energy Minerals published a preliminary economic assessment for its Clayton Valley project. "There have not been many preliminary economic assessments for lithium brine projects, so it was an important achievement," Highsmith said.

In 2018, Pure Energy intends to build a pilot plant at its Nevada-based project, where engineering, procurement and permitting are underway. "At the same time, we are very excited to drill the first holes on our new Terra Cotta lithium brine project in Argentina, which will happen in Q1 2018," Highsmith added.

Lastly, in 2017, Wealth Minerals signed a letter of intent for the Seven Salars project in Chile. The property includes the Salar de La Isla, believed by many to be Chile's second-largest lithium deposit. CEO McCutcheon expects the drill program at Atacama to be one of the highlights next year.

Top Canadian Lithium Stocks of 2017

Looking for the top Canadian lithium stocks? These TSX- and TSXV-listed lithium companies have seen the biggest year-to-date gains so far in 2017.

Lithium prices have been rising this year on the back of strong demand for lithium-ion batteries, which are used to power electric cars.

Major trends in 2017 include megafactory announcements, offtake deals and of course continued news about the electric vehicle revolution. Overall, market participants are optimistic about the metal's future.

Against that backdrop, lithium stocks have also gained in 2017. Here's an overview of the three top Canadian lithium stocks on the TSX and the three top Canadian lithium stocks on the TSXV with year-to-date gains. Only companies with market caps above $10 million as of December 14, 2017 are included.

3 top Canadian lithium stocks on the TSX

1. Lithium Americas (TSX:LAC)

Current price: $11.28; year-to-date gain: 182 percent

Lithium Americas, together with SQM (NYSE:SQM), is developing the Cauchari-Olaroz project, located in Argentina, through its 50-percent interest in Minera Exar. Lithium Americas also owns the Lithium Nevada project and RheoMinerals, a supplier of rheology modifiers for oil-based drilling fluids, coatings and specialty chemicals.

2. Nemaska Lithium (TSX:NMX)

Current price: $2.14; year-to-date gain: 72.58 percent

Nemaska Lithium's goal is to supply the emerging lithium-ion battery market with lithium hydroxide and lithium carbonate. Its wholly owned Whabouchi spodumene mine project in Quebec is estimated to be the second-richest and largest lithium deposit in the world, and the company recently confirmed first deliveryof battery-grade lithium hydroxide from Whabouchi concentrate.

3. Orocobre (TSX:ORL,ASX:ORE)

Current price: $5.84; year-to-date gain: 34.25 percent

Orocobre is building a substantial Argentina-based industrial chemicals and minerals company through the construction and operation of its portfolio of lithium, potash and boron projects and facilities. Its operations include the Olaroz lithium-producing facility in Northern Argentina; Borax Argentina, an established Argentine boron minerals and refined chemicals producer; and a 35-percent interest in Advantage Lithium (TSX:AAL).

3 top Canadian lithium stocks on the TSXV

1. QMC Quantum Minerals (TSXV:QMC)

Current price: $0.98; year-to-date gain: 1,533.33 percent

Junior exploration company QMC Quantum Minerals is focused on properties in Manitoba, and its flagship asset is the Cat Lake lithium property in the province. Cat Lake, formerly the Irgon mine, is a historic rare metals deposit where "substantial developmental work" was undertaken by Lithium Corporation of Canada. QMC is currently completing its own exploration at the property.

2. Kairos Capital (TSXV:KRS)

Current price: $1.23; year-to-date gain: 1,347.06 percent

Kairos Capital has 15 projects in the Chilean portion of the Lithium Triangle. Located in Northern Chile, the Kairos Capital properties make up a collective 134,200 hectares and are all located within a 300-kilometer radius of the Atacama salar, which hosts the largest lithium-from-brine production in the world. Exploration is underway, and the company is targeting resource estimates by Q2 2018.

3. NRG Metals (TSXV:NGZ)

Current price: $0.49; year-to-date gain: 340.91 percent

NRG Metals is an exploration-stage company focused on the advancement of lithium brine projects in Argentina. In addition to the Salar Escondido lithium project, the company is evaluating the 3,287-hectare Hombre Muerto North lithium project in the province of Salta. Further projects are under negotiation.

5 Top Lithium News Stories of 2017

2017 was another big year for lithium, largely due to growing EV demand. Here we run through our five most popular lithium news stories of the year.

As in previous years, demand for electric vehicles continued to have a big impact on the lithium sector in 2017.

With the electric vehicle revolution continuing to gather speed, investors were keen to keep tabs on developments in the space. As our most popular lithium news stories of the year show, interest in expert stock picks and market commentary was particularly high.

1. Eight Capital's 4 Lithium Stocks to Watch

Lithium has been hot on investors' lips for the last few years, and many are wondering which stocks to invest in. This September article covers stock picks presented by Eight Capital analysts David Talbot and Joe Fars. Click through to see which lithium companies they recommend and why.

2. Thom Calandra: Lithium, Graphite and Uranium Stocks

The next lithium news story our readers enjoyed most was an interview done with Thom Calandra of the Calandra Report. We caught up with him at the New Orleans Investment Conference, and he explained why he has only one lithium stock in his portfolio: Nemaska Lithium (TSX:NMX). Why pick just one? Calandra explains his reasoning, as well as why he's chosen to invest in graphite and uranium.

Watch the full interview here.

3. LG Chem to Open $1.63-billion Lithium-ion Battery Factory in Europe

This article on LG Chem's (KRX:051910) massive investment in lithium in Poland was our third-most-read lithium news story in 2017. The company said in October that it will invest $1.63 billion to open the biggest lithium-ion battery factory in Europe. It plans to produce up to 100,000 batteries annually.

While China still leads the charge in terms of electric car batteries, European car manufacturers have been encouraging greater competition in battery production. LG Chem will initially be importing the raw materials for the batteries it makes from its parent company in Korea, but hopes to source from local suppliers further into the future.

4. Joe Lowry: Lithium "Star Alliance" is Crucial for Supply

We caught up with Joe Lowry of Global Lithium at the Cathodes conference in California. In this audio interview, Lowry explains what he means by the "Star Alliance" in the lithium sector, and touches on how this alliance will affect lithium supply as demand increases. Plus, will low investment in the lithium space kill the electric car? Listen to the interview below to hear what his verdict is.

Listen to the full interview here.

5. Ken Brinsden of Pilbara Minerals: "We Will See More Lithium Offtake Deals with Car Manufacturers"

Rounding out our five most popular lithium news stories of 2017 is an audio interview done at Cathodes with Ken Brinsden, CEO of Pilbara Minerals (ASX:PLS). The company signed an unprecedented deal this year with Chinese carmaker Great Wall. What are Ken's predictions for the future of both lithium and auto manufacturing? Find out by listening to the interview.

Listen to the full interview here.

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