

Tees Valley Lithium secures supply agreement with global raw materials firm Traxys

The company with plans to launch the UK's first lithium hydroxide plant at Teesside Freeport has moved closer to signing a key supply deal with raw materials trader Traxys.

Tees Valley Lithium (TVL), which is owned by Alkemy Capital Investments, revealed the news to shareholders saying the feedstock memorandum of understanding would see Traxys supply the first production line – or 'Train 1' – of TVL's factory which is due to be operational in 2024 and producing 24,000 tonnes per annum (tpa) of battery-grade lithium hydroxide for gigafactories around Europe. It marks a significant step on the way to [realising TVL's plans](#), which will eventually see it produce 96,000tpa – an estimated 15% of Europe's projected demand – once all four production trains are up and running.

Sam Quinn, Alkemy and TVL director, said: "We are delighted to be partnering with leading global metals trader Traxys who will supply TVL with the lithium feedstock required for TVL to become Europe's largest and lowest-carbon lithium hydroxide producer, located at the Wilton International Chemicals Park in Teesside, UK. Utilising a state-of-the-art electrochemical process route and powered by low-cost green energy, TVL will be supplying the UK and Europe with 96,000tpa of low carbon, battery-grade lithium hydroxide – the equivalent to 15% of European demand.

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"Recently, TVL has also announced the release of its Class 4 Feasibility Study along with outstanding metallurgical test work results for its high-purity battery-grade lithium

hydroxide, validated by Cathode Active Material manufacturers. Preparations are now well advanced for activities on the ground to commence later in the year.”

Kevin Smith, Traxys’ managing director for Lithium Supply, said: “Traxys is pleased to enter into this MOU with Tees Valley Lithium as we share their vision of establishing a strong and robust lithium supply chain in the UK that facilitates the adoption of electric vehicles’s and advancement of the energy transition. We believe Tees Valley Lithium has positioned themselves to be a tier one supplier of lithium hydroxide and are excited to be part of their sourcing strategy, leveraging Traxys’ supply chain finance and management expertise to best serve battery and OEM customers.”

TVL hopes to capture significant share of a growing market in which more than 700GW of gigafactories – the plants where electric vehicle batteries are made – are planned for construction across Europe and will require more than 325,000 tonnes of lithium hydroxide each year.

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