Carmakers Like Ford Are Betting On Lithium Iron Phosphate Battery Chemistries As Electric Vehicles Continue To Increase In Demand



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By Faith Ashmore, Benzinga

Ford Motors (NYSE: F) **just announced** that it will be introducing a lithium iron phosphate (LFP) battery in the Mustang Mach-E models later this year with plans to introduce LFPs into the F-150 Lighting next year. Ford is joining a growing number of carmakers that are transitioning away from nickel and cobalt-based lithium-ion batteries in favor of LFP's chemistries.

By the end of the decade, LFPs are projected to be the <u>leading battery chemistry for EVs</u>, replacing their cobalt and nickel-based lithium-ion predecessor. Companies like Tesla, Rivian, and Volkswagen are among the companies that have decided to <u>make the switch to LFP batteries for all of their standard-range vehicles in North America</u>.

LFPs are less expensive battery compositions with a lower energy density that is ideal for short-range models. LFPs have also been shown to have a higher tolerance for faster and more frequent charging, as well as being able to hold a full charge for longer. All of this translates to cheaper and better EVs.

In order to succeed in the transition to LFPs, Ford announced they are planning to <u>invest \$3.5</u> billion to construct an LFP battery plant in the US; this will be the first automaker-backed LFP plant and it is expected to be completed in 2026. This development is great for the environment but it begs the question, does Ford and other North American carmakers have the necessary raw materials to control the supply chain?

How Arianne Phosphate Could Be Redefining North American Phosphate Supply

Arianne Phosphate Inc. (OTCMKTS: DRRSF) is a phosphate mining company that says it is poised to help meet the growing demand for phosphate used in batteries, and it could be poised to become a key supplier. The company's Lac à Paul project is a response to the growing global demand for phosphate. The Lac à Paul project is a fully permitted, shovel-ready project.

In the coming decades, the <u>electric vehicle (EV) market is set to explode</u> and companies like Ford seem keen to meet demand. However, the US government is eager to develop projects that will

decrease reliance on international countries for raw materials as it may present potential national security threats.

The US recently announced that Canadian countries qualify under the 1950 Defense Production Act (DPA). This means that an investment in Canada by the Department of Defense will legally be the same as an investment domestically, opening a lot of doors in Canada. Companies like Arianne Phosphate Inc. might be the type of targets the US military is looking at. Arianne Phosphate is among the few in North America that can respond to the growing demand for phosphate.

Arianne's is a world-class mining site and is the single largest greenfield deposit of phosphate. One major edge Arianne has is the deposit is igneous which allows it to produce a concentrate higher than 90% of the world's phosphate, which is housed in sedimentary rock. This allows Arianne to produce a high-purity and low-contaminant phosphate concentrate ideal for use in batteries and fertilizer.

Arianne also boasts strong community support and adheres to stricter environmental, social and corporate standards. For North American companies that want their suppliers to align with their agendas, Arianne might be a perfect partner. Companies like Ford that are building LFP battery plants might need strategic partnerships with suppliers like Arianne to keep their supply chain reliable and regionally supported.

Not to mention, Arianne recently shared that their high-purity phosphate concentrate has been tested and successfully confirmed to be used in advanced LFP battery applications. As the EV market expands and evolves, it will become increasingly important for carmakers to establish strategic partnerships with safe, reliable, and high-quality mining companies.

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ARIANNE PHOSPHATE INC. (www.arianne-inc.com) owns the Lac à Paul phosphate deposit in Quebec, Canada. Fully permitted and shovel ready, the asset is among the world's largest greenfield deposits, capable of producing an environmentally friendly phosphate concentrate. Due to the nature of its high-purity, low-contaminant product, Arianne's phosphate can be used to produce fertilizer as well as meeting the technical requirements of specialty applications such as the lithium-iron-phosphate (LFP) battery. The Lac à Paul deposit is rare due to its geographic location and geological structure. Arianne Phosphate is listed on both the TSX-V: DAN and the OTCQX: DRRSF.

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