

Public Companies

Reedy looks to new lithium extraction technology for Nevada project



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Reedy Lagoon has launched a geophysical survey to better define lithium brine targets at its Alkali Lake North project in Nevada. Credit: File

After a hiatus period, junior lithium brine explorer, Reedy Lagoon has launched geophysical survey works to better define lithium brine targets at its newly expanded Alkali Lake North tenure in Nevada. The company says it is hopeful that new direct extraction technology being trialled will thrust its American lithium brine project back in the spotlight that it first started proving up in 2016.

The company recently acquired ground that ballooned its landholdings in the region to more than 2,500 hectares, increasing the strike of a shallow target conductor at the project to more than 4km length.

The new geophysical survey will add to a previously conducted 'audio frequency magnetotelluric' survey and also cover the recently acquired land at Alkali Lake North.

Reedy Lagoon says it is on the hunt for lithium brines in Nevada due to their composition being more suitable to new 'direct extraction' processes being trialled.

Direct extraction involves a new technological process that potentially enables commercial extraction of lithium from brines without the need for massive evaporation ponds that take up significant acreage, require a lot of water and in some cases can present environmental concerns.

Under the developing process, lithium-bearing ground water, or “brines” are pumped to the surface, run through a processing plant which extracts the lithium and the water is then returned back into the ground.

To date, traditional lithium brine extraction has involved pumping of lithium-bearing brines to the surface at which time they are then distributed across acres of “evaporation ponds”. The lithium bearing solution then remains in the ponds for months, or even years, until most of the liquid and water content has been removed through solar evaporation.

The new direct extraction technology being pioneered by Toronto-listed Pure Energy does away with the need for expensive and expansive evaporation ponds.

In Nevada, the loss of groundwater through the traditional extraction methods could be problematic due to its limited supply in the state.

Reedy has been operating in Nevada since 2016 and recent developments at Pure Energy’s nearby lithium brine project, together with new commercial activities related to direct lithium extraction, have catapulted the company back into action at Alkali Lake North.

Pure Energy’s recently announced plans to construct a pilot plant for direct extraction of lithium from its Clayton Valley project, some 30km away, has Reedy looking over the fence and contemplating the possibility of using similar technology if it can be proved up - thereby avoiding the need to build evaporation ponds at Alkali Lake North.

Reedy also says that New York-listed Schlumberger Limited, a US\$38 billion company and strategic investor in Pure Energy’s Clayton Valley project, has teamed up with Panasonic Energy of North America with the duo now looking to develop a direct lithium extraction and production process.

Reedy believes the collaboration between Schlumberger and Panasonic, in conjunction with Pure Energy’s plans to build a direct extraction pilot plant, adds weight to the possibility of commercial extraction of lithium-brines in Nevada without the need for evaporation ponds and wasted water.

Fresh from a recent \$1.1 million capital raise in an emboldened and reinvigorated lithium market, Reedy is now planning further geophysical surveys to pin-point its lithium brine targets at both Alkali Lake North and its 100 per cent owned Clayton Valley project, about 25km away.

According to recent research by financial services company, JP Morgan, lithium demand is projected to surge by more than 500 per cent by 2030 and Reedy Lagoon just might find itself in the ruck of the market should direct extraction of lithium brines prove to be a thing.

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