



## Announcing Africa's first lithium ion battery mega-factory

For far too long, Africa has been referred to as the “dark continent.” Over 70% of sub-Saharan Africa has no access to a reliable energy grid. This lack of energy is directly linked to low levels of industrialization and unemployment, and as a consequence, dire levels of poverty. Since there is a direct correlation between economic growth and a reliable energy supply, Africa desperately needs an energy supply that is accessible, reliable, efficient and clean.

Renewable energy like solar and wind can unlock major potential for African countries to deal with the energy crisis. But renewable energy is instantaneous, and only effective when the sun shines or the wind blows. Speaking at the One Planet Summit in 2018, the World Bank's then President Dr Jim Yong Kim stated: “Battery storage can help countries leapfrog to the next generation of power generation technology and expand energy access. For developing countries, this can be a game changer.” Many likewise agree that renewable energy accompanied with rechargeable battery storage is indeed the tipping point for Africa's future.

Since rechargeable batteries like lithium-ion batteries are produced and imported from mega-factories in the northern hemisphere, the resultant high battery prices have prohibited the much-needed mass-adoption of energy storage solutions in Africa.

But that is about to change. Speaking at the 2019 Batteries and Electric Vehicles conference in South Africa, Nechan Naicker, the founder and CEO of The Megamillion Energy Company emphatically announced: “Africa's time has come. The Megamillion Energy Company will be Africa's first large-scale producer of lithium ion batteries, making lithium ion batteries in Africa for Africa's benefit first.”

Producing lithium ion batteries on African soil makes absolute sense. After all, all the critical minerals used in them such as manganese and cobalt are found abundantly in Africa. “It doesn't make sense that if sub-Saharan Africa has over 80% of the world's manganese, over 60% of the world's cobalt, the world's largest reserves of Fluorspar that the lithium ion battery value chain is not localized on African soil,” says Nechan. “Furthermore, localized minerals beneficiation and cell manufacturing will result in a lower overall cost of batteries, encouraging a greater penetration of affordable energy storage solutions throughout Africa.

Commencing in 2020 with a 20,000 m<sup>2</sup> pilot plant in the Coega Special Economic Zone in the Eastern Cape, The Megamillion Energy Company will construct a scalable world-class 0,2GWh manufacturing facility capable of producing about 10 million lithium ion cells per year. “The main focus initially will be to produce affordable cells that can be used in energy storage systems throughout Africa,” according to Nechan. “Working with technology partners and pioneers of the industry from Asia, the master plan is to scale up to a final factory output of 32GWh of cells per year by 2028, capable of producing cells for both the energy storage and electric vehicle markets.”

Over 400 hectares of special purpose land is made available in Coega by the Department of Trade and Industry to accommodate the lithium ion battery value chain. This includes making the battery powders for Nickel-Manganese-Cobalt and Lithium-Manganese-Oxide battery chemistries, manufacturing individual cells, assembling battery packs, as well as recycling the end-of-life battery products. According to Nechan, “over 3000 sustainable new upstream and downstream jobs will be created, further benefiting the region's socio-economic landscape.”

Concluding his speech at the conference, Nechan reiterated that company's clear focus is “Energizing Africa for its own future.” Indeed, Africa's time has come.

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The Megamillion Holdings Company is a South African level-1 BBBEE company with headquarters in Centurion, Gauteng, South Africa. The group of wholly-owned affiliate companies include The Megamillion Minerals Company (producing battery-grade powders), The Megamillion Energy Company (producing lithium ion cells), LionESS Energy Solutions (producing lithium ion battery packs and end-products), and The Megamillion Recycling Company (recycling lithium ion value-chain end-products and waste minerals).

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