

## **PRESS RELEASE** FOR IMMEDIATE RELEASE

### **Study shows huge economic potential for Quebec lithium-ion battery industry**

**Montreal, September 5, 2019** — Propulsion Québec, the electric and smart transportation cluster, unveiled this morning a study on the development potential of the Quebec lithium-ion battery industry. Conducted by KPMG, the study argues that Quebec has countless advantages that position it well in the global lithium-ion battery industry. The study was released in the presence of the minister of economy and innovation, Pierre Fitzgibbon, and the minister of energy and natural resources, Jonatan Julien.

The figures gathered by KPMG reveal the incredible speed at which the lithium-ion battery industry is changing around the world, driven by exponential growth in the electric vehicle market. The growing popularity of electric vehicles is also set to increase the demand for lithium-ion batteries and the raw materials to manufacture them, making this sector a very promising one.

Around the world, governments—particularly those in Asia and in Europe—are aiming to position themselves in the industry. Despite numerous announcements about major investments made to support the industry, KPMG considers that there is still room for new players in the global supply chain, as new and upcoming projects alone will not be enough to meet the strong projected growth needs. Players like Quebec with access to natural resources will have a real leg up.

Battery recycling is another growth area. Huge numbers of batteries will reach the end of their service life over the next few years, posing an environmental challenge but also creating an economic opportunity. Batteries contain valuable materials that can be recovered and reused, making them real alternative sources of minerals.

#### **A window of opportunity that won't be open long**

The study points to comparative advantages that allow Quebec to aspire to a place in the global supply chain. These include its relative proximity to vehicle manufacturers, the presence of the raw materials required to make lithium-ion batteries, access to an abundant and clean energy source, low operating costs compared to other jurisdictions in North America, and a critical mass of companies with internationally recognized expertise.

The study notes however that this window of opportunity won't be open for long. It proposes four development strategies for the battery industry and the emergent end-of-life battery recycling sector.

#### **Quotations**

“This study with KPMG reveals the incredible economic potential of the lithium-ion battery industry in Quebec. We have tremendous advantages that can help us tap into the extraordinary wealth creation potential of this strategic and fast-growing sector,” said Sarah Houde, CEO of Propulsion Québec, the electric and smart transportation cluster.

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“With all the excitement the industry is generating around the world, this window of opportunity to act and position ourselves won’t be open for long. Our leaders must send a strong message of support for the development of this strategic sector and increased energy independence for Québec in transportation electrification. Our study was to give decision-makers and potential investors real food for thought by demonstrating Québec’s strengths and recommending concrete actions,” said Sarah Houde, CEO of Propulsion Québec, the electric and smart transportation cluster.

“This is an incredible opportunity for Quebec to showcase its mining, energy, scientific, technical, and human resources. Developing the lithium-ion battery sector is a logical extension of Quebec’s commitment to the large-scale electrification of our transportation system. Securing a prime position in the industry will benefit all Quebecers. It will serve as a true economic driver in rural regions and contribute to the fight against climate change,” said Sarah Houde, CEO of Propulsion Québec

“The government will be making every effort to develop a local lithium-ion battery industry that further positions Québec as a leader in transportation electrification. I am convinced we can make batteries that will attract attention around the world and be sought out by electric vehicle manufacturers everywhere. The study by Propulsion Québec over the past year will shed light on concrete actions we can take to benefit from the many opportunities in this industry and pursue economic growth in a sustainable and responsible way,” said Pierre Fitzgibbon, Minister of the Economy and Innovation and Minister responsible for the Lanaudière region.

“This study shows that Quebec has incomparable advantages for developing a local lithium industry and thereby contributing to the electrification of the economy and the fight against climate change. Action in this area will not only create wealth, but also build on our efforts to spur energy transition, innovation, and efficiency. And with our government’s goal of streamlining administrative processes, we should be able to have deposits in production in a more timely manner. And that should make us an industry leader,” said Jonatan Julien, Minister of Energy and Natural Resources and Minister responsible for the Côte-Nord region.

“Propulsion Québec's study is hugely important to Shawinigan. With a large and diversified ecosystem of companies and specialized research and training centers active in the electrification of transportation, Shawinigan intends to use this study to attract new businesses in the field and add to its industrial fabric,” said Nancy Déziel, councillor for La Rivière, City of Shawinigan, and CNETE executive director.

This study was made possible thanks to the support of our partners: Société de développement économique de Shawinigan, Appel à Recycler®, RECYC-QUÉBEC, Société du Plan Nord, Hydro-Québec’s Centre d’excellence en électrification des transports et en stockage d’énergie, Nemaska Lithium, Mason Graphite, North American Lithium, Nouveau Monde Graphite, Recyclage Lithion, RNC Minerals, and Sayona Québec

**Consult the report >> <http://bit.ly/propqc-li-ion-battery>**

### **About Propulsion Québec**

Propulsion Québec works to involve all of Quebec’s electric and smart transportation industry in collaborative projects aimed at positioning the province as a global leader in developing and implementing smart and electric modes of ground transportation. Created in 2017, Propulsion Québec has over 130 members from various sectors and focuses its efforts in seven distinct areas to develop and support innovative new projects. The industrial cluster is financially backed by the Government of Quebec, the Government of Canada, the Montreal Metropolitan Community (CMM), Fonds de la solidarité de la FTQ, and the City de Québec.



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**Sources:**

Mathieu St-Amand  
Press Officer  
Office of the Minister of the Economy and Innovation and  
Minister responsible for the Lanaudière region  
Tel.: 418-691-5650

Claude Potvin  
Press Officer  
Office of the Minister of Energy and Natural Resources and  
Minister responsible for the Côte-Nord region  
Tel.: 418 643-7295

**Information:**

Geneviève King-Ruel  
Propulsion Québec  
Cell: 514-582-9692  
[genevieve.king-ruel@propulsionquebec.com](mailto:genevieve.king-ruel@propulsionquebec.com)

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