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**BUSINESS**

## Lithium gets a boost

By BRUCE ERSKINE Business Reporter  
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Increasing demand for electric and hybrid vehicles is sparking interest in lithium mining in Nova Scotia.

"Lithium is the fastest-growing sector in the battery business," said Chris Anderson, a spokesman for Petro Horizon Energy Corp., in an interview from Vancouver on Monday.

Petro Horizon, an oil and gas development company with interests in Texas, has signed an agreement with Champlain Mineral Ventures Ltd. of Bridgetown to earn up to a 75 per cent interest in the Brazil Lake lithium rare earth metals property 30 kilometres north of Yarmouth.

Petro Horizon will earn a 60 per cent interest in the property by spending \$2 million on exploration over three years, said Champlain Mineral president John Wightman in an interview Monday.

Further investment could increase Petro Horizon's stake in the project to 75 per cent.

The 1,264-hectare Brazil Lake property includes 79 claims under two exploration licences that are said to contain one of the highest-grade lithium deposits in North America.

Lithium batteries are widely used in electronic devices, including cellphones and laptop computers, and in the battery banks used to power electric and hybrid electric-fuel powered vehicles.

A recent PricewaterhouseCoopers LLP study cited in a Bloomberg article on Bolivia's large lithium reserves reports that auto manufacturers plan to produce 42 new lithium battery-powered vehicle models by 2012.

Anderson said the Brazil Lake property is attractive not only for its potentially large lithium reserves but because it is accessible by road and is near power lines.

"That's huge," he said, noting that other lithium fields in Canada are located in remote parts of northern Quebec.

The Vancouver company was also drawn by Wightman's track record in defining mineral deposits, said Anderson.



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[www.PetroHorizonEnergy.ca](http://www.PetroHorizonEnergy.ca)

Wightman is also president of Moose River Resources Inc., which holds licences to gold properties on the Eastern Shore being developed by Australia's Atlantic Gold NL under a similar buy-in agreement.

Anderson said the Brazil Lake property, which is adjacent to the Avalon Rare Metals East Kemptville project, has benefited from previous drilling and from metal assessment work done at Dalhousie University.

Petro Horizon plans to begin exploration work on the property within the next few months, he said, adding that the company will be hiring local people for some of that development activity.

"We're confident we can meet the terms (of the agreement)," he said.

Champlain Ventures acquired the Brazil Lake property in the late 1990s and has spent about \$1 million developing it, Wightman said.

He said Petro Horizon, as a publicly traded company, has the ability to raise the capital necessary to bring the potentially lucrative property to production.

"Lithium is the flavour of the month in the mining industry," he said, largely because of the advent of vehicles that use lithium batteries.

Geologist Jennifer Getsinger speculated last year in Resource World magazine that lithium prices could climb to US\$234,909 per tonne by 2015 from a projected \$29,248 per tonne this year.

Based on supply and demand, Wightman said there is "an excellent chance" the Brazil Lake property could become a working mine within five years.

Petro Horizon stock was trading for 20 cents a share on the TSX Venture Exchange on Monday, up two cents from its previous close.

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