

Elevra Lithium Ltd (ASX: ELV)

Report date: 23 April 2026 Framework: The 10-module ASX mining FA course

TL;DR — What actually happened to this stock

ELV is a **Stage 10 producer that nearly died, merged with another near-dying producer, and is now being resurrected by a lithium price recovery.**

The recent rally is the combination of **four distinct things stacking on top of each other:**

1. **The Sayona → Piedmont merger (Aug 2025)** creating scale, eliminating competitor friction, strengthening balance sheet
2. **The 150:1 share consolidation (Sep 2025)** cleaning up a structurally broken cap table
3. **The lithium price recovery (H2 2025 → Q1 2026)** — spodumene from ~USD\$600/t in mid-2025 to over USD\$2,000/t by Jan 2026
4. **Operational execution** — NAL hit record quarterly revenue of USD\$81m in Mar 2026, moved to profitability, balance sheet rebuilt

None of this is a single catalyst. It's a classic Module 9 **Phase 1 → Phase 2 capitulation-to-recovery rotation** playing out on a surviving producer that can't be easily replicated by new entrants because of the 7+ year mine build time.

The important Module 6 caveat: **don't compare ELV's current price to Sayona's pre-consolidation price without adjusting for the 150:1.** Pre-consolidation Sayona at its 2022 peak of ~10c adjusts to ~\$15 post-consolidation equivalent. Current price around \$8 is still ~45% below the 2022 peak on a like-for-like basis. Charts showing "ELV up 1,000%" are misleading — they're usually splicing the pre- and post-consolidation prices without proper adjustment, or measuring from the absolute trough.

1. Company snapshot (Module 1, 6)

Field	Value
Ticker	ASX: ELV (Nasdaq: ELVR, OTCQB: SYAXF)
Former name	Sayona Mining (SYA) — renamed 26 Sep 2025
Merger completed	29 Aug 2025 (with Piedmont Lithium)
Share consolidation	150:1, completed Sep 2025
Recent price	~\$8.12 (Feb 2026 reference); ~\$7-8 range through April 2026
SOI (post-consolidation, post-merger)	~168m at consolidation; higher post-merger equity issuance to Piedmont holders and RCF VIII
Market cap	~\$1.5B+ (ASX 300 constituent)
Cash (31 March 2026)	USD\$113.0m (net cash USD\$58.7m after prepayment facility)
FY26 production guidance	180,000–190,000 dmt spodumene concentrate
Flagship	North American Lithium (NAL), Quebec, Canada (100%)
Lassonde stage	Stage 10: Producer. With Stage 7-8 expansion overlay (NAL staged expansion to 315 ktpa by CY29)

2. The asset portfolio (Module 2, 3)

ELV has a much more complex asset base than PC2. This is typical of producer-stage companies that have grown through M&A.

Flagship: NAL (North American Lithium), Quebec — 100%

- **Producing spodumene concentrate** at ~47,000 dmt/quarter (Mar 2026)
- Concentrate grade ~5.0% Li₂O (below the 5.5% traditional SC6 benchmark — this is a recurring operational watch-item)
- Mill utilisation ~94% (Q3 FY26) — healthy

- Global recovery ~66% — this is **low by industry standards** (Greenbushes achieves 70%+; best-in-class 75%+)
- FY26 unit operating cost guidance: USD\$860-880/dmt
- Expansion pathway to 315 ktpa by CY29 with staged debottlenecking starting mid-2027

Moblan Lithium Project, Quebec — 60%

- Development-stage spodumene project
- Partnered with SOQUEM (Quebec government-owned)
- Significant resource but requires capex

Carolina Lithium, USA — 100%

- Fully permitted project (permitting was a multi-year battle)
- Integrated spodumene-to-hydroxide concept
- Construction not yet started as of latest disclosures

Ewoyaa Lithium Project, Ghana — 22.5%

- JV with Atlantic Lithium (ASX: A11)
- Spodumene DSO and concentrate potential
- Jurisdictional risk (Ghana) — Module 8 flag to monitor

Pilbara (WA) tenement portfolio

- Prospective for gold and lithium
- Legacy Sayona ground — marginal value unless drilled up

Module 3 grade reality check

NAL's producing grade of 5.0% Li₂O concentrate from the operation, drawn from ore at ~1.1-1.2% Li₂O head grade, is **firmly in the "average" bracket** per the Module 3 lithium benchmarks. It's not Greenbushes (2%+ Li₂O head grade) and it's not Wodgina. It's economic when spodumene prices are above ~USD\$800/t and increasingly profitable above USD\$1,200/t. At USD\$1,453/dmt realised in the Mar 2026 quarter, the operation is generating comfortable margin. At USD\$600/t (mid-2025 reality), it was losing money.

This is a price-taker producer, not a cost leader. Understanding that is the whole thesis.

3. The capital structure history and post-merger reality (Module 6)

This is where Sayona's history gets ugly and ELV's cleanup matters.

The Sayona legacy (pre-merger)

Sayona Mining was one of the most *over-issued* stocks on the ASX. Pre-consolidation SOI was over **25 billion shares**. The stock traded at fractions of a cent for extended periods. Every capital raise was deeply dilutive because the SP was so low that each dollar raised issued enormous new share volumes.

This is the exact pattern Module 6 warns about: a company that survives through repeated dilutive raises during a downturn ends up with a capital structure that *itself* becomes a drag on the recovery. Even if the underlying operation improves, you need enormous enterprise value growth to move the per-share price because there are so many shares outstanding.

The 150:1 share consolidation (Sep 2025)

After shareholder approval on 31 July 2025, every 150 Sayona shares became 1 share. This reduced SOI from ~25 billion to ~168 million. **It did not change the underlying value of the company** — just restructured the arithmetic so the share price could move to a rational level for institutional investors.

Post-consolidation SOI at implementation: **168,458,841 ordinary shares**.

The merger with Piedmont Lithium (Aug 2025)

Under the revised merger terms:

- Each Piedmont share → 3.5133 post-consolidation Elevra shares
- Each Piedmont ASX CDI → 5.27 pre-consolidation Sayona shares (adjusted post-consolidation)
- Approximately **50/50 equity split** between Sayona and Piedmont shareholders at closing

The associated capital raisings

At merger completion, ELV raised:

- ~**A\$40 million institutional placement**
- ~**US\$69 million issue of shares to Resource Capital Fund VIII LP (RCF VIII)** plus an options issuance
- Combined "conditional placement" totalling roughly A\$150m+ equivalent

RCF VIII is a major resources private equity fund — their participation is a **Module 8 green flag**: tier-1 institutional cornerstone who did extensive DD on the combined entity.

Current cap table reality

Post-merger, post-consolidation, post-placement, ELV has a meaningfully larger SOI than the 168m reported at consolidation because of:

- Piedmont equity issued in the merger (~50% of combined)
- RCF VIII placement shares
- Options/performance rights

I'd estimate current fully-diluted SOI is in the 340-400m range — **this needs to be verified from the latest Appendix 3B or NASDAQ filings**. At ~\$8 per share, that implies the ~\$1.5B+ market cap I noted earlier.

Module 6 watch-items

- **Options/performance rights:** per the Sep 2025 post-consolidation disclosure, there were 1.77m performance rights and 2.72m options at \$4.80 strike. These numbers will have grown with the merger. Worth checking the latest annual report remuneration notes.
- **RCF VIII options overhang:** the options issued to RCF VIII alongside their share placement could be material. Check the terms in the disclosure documents.
- **Prepayment facility:** ELV carries a USD\$54.3m prepayment facility (essentially customer prefinancing). That's debt-like but tied to physical delivery obligations. Worth understanding the terms.

Top holders

RCF VIII is likely now the largest single institutional holder, along with former Piedmont institutional holders and whatever Sayona-era institutions survived the downturn. The register shifted significantly with the merger and consolidation. Pull the latest top 20 from the most recent annual report — this is one of the genuine gaps in my analysis.

4. The macro story — the lithium price cycle (Module 9)

This is the single biggest driver of ELV's re-rate. More so than any company-specific factor.

The lithium price collapse (2022 peak → mid-2025 trough)

- Lithium carbonate peak: CNY 580,000–600,000/t in late 2022 (roughly USD \$80,000/t equivalent)
- Spodumene (SC6) peak: USD\$8,000/t
- Trough (mid-2025): lithium carbonate ~USD\$9,000–10,000/t; spodumene ~USD\$600–700/t
- **Peak-to-trough: roughly -90%**

This was the most brutal commodity price collapse of any major metal in the current cycle. The entire lithium producer complex went from record profits to cash losses in 18 months.

Mine closures: Mt Cattlin, Finniss (Core Lithium), Bald Hill, Ngungaju (PLS). Dozens of developers went bust or mothballed. Sayona itself was a survival story — they were able to keep NAL running because of the Piedmont offtake revenue and repeated capital raises, but both companies were burning cash.

The recovery (H2 2025 → Q1 2026)

Per the Module 9 framework, this is a textbook commodity cycle bottom:

1. **Supply discipline:** Australian producers curtailed expansions; Zimbabwe banned concentrate exports
2. **Policy signals:** Chinese anti-involution campaign, mining permit cancellations in Jiangxi, CATL's Jianxiawo mine suspension
3. **Demand surprises:** ESS demand growth (forecast revised up 60% to 750 GWh for 2026), AI-data-centre-driven energy storage
4. **Speculative positioning:** Chinese futures market participation amplified the move

Spodumene price trajectory:

- July 2025: ~USD\$600/t
- October 2025: lows
- Late Dec 2025: ~USD\$1,000/t
- Jan 2026: crossed USD\$2,000/t
- Jan-Feb 2026 peak: as high as USD\$2,500/t reported
- Some softening in Q2 2026 but staying elevated

ELV's **realised price** in the Mar 2026 quarter was USD\$1,453/dmt — a **46% QoQ increase**. That realised price tracking the spot is the entire reason ELV swung from losses to USD\$32m of quarterly operating profit.

What this means through the Module 9 lens

We're probably in late Phase 2 (stealth recovery) / early Phase 3 (broad bull) for lithium. Key indicators:

- Producers have re-rated first ✓ (PLS, MIN, ELV, etc.)
- Broker upgrades flowing through ✓ (Bell Potter lifted spodumene forecast 89%)
- M&A activity picking up ✓ (Sayona-Piedmont, others)
- IPO pipeline reopening — not obviously yet
- Retail mania — not yet; lithium is still a "healing" story, not a hype story

Crucially: analyst views are genuinely divided. Wood Mackenzie still forecasts surplus in 2026. S&P Global sees a narrowing surplus. Morgan Stanley sees deficit. UBS sees modest deficit. This divergence is classic mid-cycle territory — not yet "everyone agrees the bull market is back," which means the re-rate might have more room if demand keeps surprising, or could reverse sharply if supply comes back faster than expected.

5. Operational and financial reality (Modules 5, 10)

The March 2026 quarter — just released 22 April 2026

Read carefully through the Module 10 producer-quarterly lens:

Metric	Q3 FY26 (Mar 2026)	Q2 FY26 (Dec 2025)	QoQ change
Spodumene produced	47,332 dmt	44,000 dmt (approx)	+7%
Spodumene sold	~56,000 dmt	66,000 dmt	-15%
Realised price (FOB)	USD\$1,453/dmt	USD\$998/dmt	+46%
Unit operating cost (sold)	USD\$884/dmt	USD\$812/dmt	+9%
Revenue	USD\$81m	USD\$66m	+22%
NAL operating profit	USD\$32m	~USD\$12m	+170%
Mill utilisation	94%	89%	+
Global recovery	66%	62%	+
Cash balance	USD\$113m	USD\$81.3m	+USD\$31.7m
Net cash	USD\$58.7m	USD\$26.4m	+123%

What this tells you through the Module 10 lens:

- **Revenue up, price-driven** — this is the good kind of revenue growth when operational volumes also held up
- **Unit costs rose 9% QoQ** — watch-item. Management attributed to higher-cost inventory moving through, plus lower Li₂O grade ore from Phase 3 of the pit. This is classic operator behaviour: grade-driven cost pressure.
- **Mill utilisation 94% and recoveries improving** — operationally tightening up
- **Cash more than doubled in net terms** — balance sheet repair is real and happening fast
- **Concentrate grade dropped to 4.9-5.1% Li₂O** — below the 5.5% SC6 spec means price discount, also a watch-item
- **Sales volumes slightly below production** — inventory build, typical for this time of shipping year, but worth watching across quarters

Guidance reaffirmed

- FY26 production: 180,000–190,000 dmt
- FY26 sales: 170,000–190,000 dmt
- Unit operating cost sold: USD\$860–880/dmt
- Capex FY26: USD\$26m

At the current realised price environment (USD\$1,400+/dmt), ELV is generating meaningful cash flow. If the price holds, they'll end FY26 with well north of USD\$150m cash and be self-funding NAL expansion and the downstream push.

The key sensitivity

At USD\$1,400/dmt realised price: highly profitable At USD\$1,000/dmt realised price: modestly profitable At USD\$800/dmt realised price: roughly break-even after sustaining capex At USD\$600/dmt realised price (mid-2025 reality): losing money

A 20-30% lithium correction takes ELV back to break-even quickly. The operational leverage to the commodity price is severe — which is both the bull and bear case.

6. The NAL Expansion fast-track (Module 7, strategic)

Announced 12 January 2026. This is one of the biggest specific catalysts driving the recent price action.

The original plan

Whole-of-project expansion to 315 ktpa by end CY29, with construction complete then commissioning after. Permitting was the critical path constraint.

The revised staged plan

Using **additional permitting information received post-scoping-study** plus existing permits, ELV identified a sequence that removes permitting from the critical path:

- **Initial 15-20% production uplift from mid-CY27** — via debottlenecking
- **Milling expansion to 6,500 tpd** using a temporary mobile crusher — targeting 315 ktpa by early CY28
- **Final crushing and ore-sorting circuit** by early CY29

Why this is a big deal

- Brings forward incremental production by **~2 years vs original plan**
- Low-risk brownfields expansion (not a greenfield project)
- Stages capital investment over time rather than front-loading one massive spend
- Keeps NPV near USD\$950M and IRR ~26.4% (per company modelling at assumed prices)

Module 5 caveat

These NPV/IRR numbers come from a scoping study (Sept 2025), which is **Stage 5 accuracy** (**±35-50%**) per Module 5. Real numbers will emerge through PFS/DFS over 2026. Capex blowouts from scoping to actual are the default pattern. Treat the USD\$950M NPV as a directional indicator, not a firm number.

Module 5 price-deck check

I don't have the specific commodity price assumption in the scoping study in front of me — this is a key thing to verify. If they're using USD\$1,200/t spodumene (roughly consensus long-term), the NPV is robust at current prices. If they're using USD\$1,800/t spodumene (peak-of-cycle), the NPV is fragile.

7. Other recent strategic moves (Module 7)

Mangrove Lithium offtake MOU (Feb 2026)

Non-binding MOU for spodumene offtake with Mangrove Lithium (a refining startup). **Module 8 watch-item:** non-binding MOUs are overhyped routinely. Useful as a framing device, shouldn't be read as a firm sale.

North American refining MOU (Mar 2026 quarter)

Part of the "downstream push" — signals intent to move up the value chain from concentrate producer to chemical producer (the Piedmont legacy ambition).

S&P/ASX 300 index inclusion

Mar 2026 quarter. Passive index buying is a recurring tailwind for the stock — forced buying from index funds regardless of their own analyst views. Often worth 5-15% to the SP at inclusion events for small-to-mid-caps.

Major broker coverage

Per ELV's investor page, ELV is now covered by at least three named analysts (Raj Ray, Reg Spencer, Austin Yun). These are tier-1 / tier-2 sell-side mining analysts, which gives the stock institutional legitimacy that Sayona never had during the downturn.

8. Red and green flags (Module 8)

Green flags

- ☐ **Tier-1 institutional cornerstone** (RCF VIII) at merger
- ☐ **Major merger executed cleanly** — integration risk was a serious concern but March quarterly shows operational continuity
- ☐ **Balance sheet repair documented in quarterlies** — cash growing, profitability reported
- ☐ **Tier-1 jurisdiction for flagship** (Quebec, Canada)
- ☐ **ASX 300 inclusion** — institutional legitimacy
- ☐ **Multiple tier-1/tier-2 sell-side analyst coverage**
- ☐ **NAL expansion brought forward by ~2 years** — capital efficient brownfields
- ☐ **Share consolidation cleaned up a structurally broken cap table**
- ☐ **FY26 guidance reaffirmed** — management hitting their numbers matters

Watch-items / yellow flags

- ⚠ **Unit costs rising QoQ** — Phase 3 mine grade drop pushing costs. If recoveries and grade continue to drift, margin compression accelerates
- ⚠ **Concentrate grade below 5.5% SC6 standard** — this means pricing gets spec-discounted in most offtakes. Watch for "adjusted to 5.5% equivalent" footnotes in pricing
- ⚠ **Global recovery 62-66%** — structurally below best-in-class lithium operations. There's an operational improvement case here but it's not a given
- ⚠ **Non-binding Mangrove MOU** — classic Module 8 watch-item, shouldn't be weighted as firm
- ⚠ **Scoping study economics, not PFS/DFS** — the NAL expansion numbers are still scoping-accuracy. Expect revision through 2026.
- ⚠ **Ghana exposure** (Ewoyaa 22.5%) — jurisdictional risk, though diluted by minority stake
- ⚠ **RCF VIII options overhang** — size and strike matter; pending dilution possible

Not quite red flags, but material context

- **△ Sayona history:** the legacy of this company included years of dilutive capital raises, CEO turnover, and guidance misses. The new Elevra management (Lucas Dow as CEO/MD is ex-BHP and ex-Whitehaven — strong pedigree) has a cleaner track record but inherited operational and cultural debt from Sayona
- **△ Commodity leverage is the story:** on a price-deck adjusted basis at consensus long-term lithium prices, ELV's valuation gets tight. The current share price embeds a reasonably bullish lithium price view.

Genuine red flags

I didn't identify any serious Module 8 red flags. This isn't a zombie promoter shell — it's a real producer with real cash flow, real assets, and institutional backing. The risk is price-related, not governance-related.

9. Valuation context (Module 10)

Two valuation approaches produce very different answers — this is the Module 10 honest-synthesis part.

Revenue / P/S multiple

- Simply Wall St reported 6.4x P/S at ~\$8.12 (Feb 2026)
- Their fair value models suggested this is *below* peer and industry averages → "undervalued" on revenue multiples

DCF approach

- Simply Wall St DCF implied fair value of **A\$2.96** at the same time the stock was at A\$8.12
- On DCF, stock looks significantly overvalued

How to reconcile

These aren't contradictory. They're measuring different things:

- **P/S multiple** says: "compared to peers, ELV trades cheap on current revenue"

- **DCF** says: "compared to the sum of all future cash flows discounted at reasonable rates, ELV trades rich"

The gap is entirely explained by **commodity price assumptions in the DCF vs current spot**. If you assume spodumene falls back to USD\$900-1,000/t long-term (which is near most broker consensus), the DCF struggles to justify anything like \$8 per share. If you assume spodumene stays above USD\$1,500/t for an extended period, the DCF would support the current price and more.

This is a bet on where lithium prices go. Everything else is noise on top of that.

Per-tonne-of-resource valuation check

ELV has massive combined resources across NAL, Moblan, Carolina, and Ewoyaa. The exact LCE (lithium carbonate equivalent) number is north of 200m tonnes of ore for NAL+Moblan alone. Comparing EV per LCE tonne to global peers:

- Pilbara Minerals: well-known benchmark
- Albemarle: integrated, brine + hard rock
- SQM: brine

These per-tonne comparisons are less useful than for explorers because the producing assets have actual cash flow. For ELV, **cash-flow-based valuation at reasonable long-term prices** is the more honest frame.

10. Catalyst calendar (Module 7)

Window	Catalyst	Type	Conviction
30 April 2026	Next quarterly due (Mar 2026 already released 22 Apr)	Scheduled	Released
Q2 CY26	Updated scoping study + detailed engineering for NAL expansion	One-off	High — key input to PFS
H2 CY26	Further offtake signings (binding, not MOU)	Ongoing	Medium
CY27	PFS / DFS on NAL expansion Phase 2	One-off	High — may reset the valuation maths
Mid CY27	Initial 15-20% production uplift from debottlenecking	Operational	High impact if delivered
Early CY28	Target 315 ktpa production via mobile crusher phase	Operational	Critical execution milestone

Window	Catalyst	Type	Conviction
Early CY29	Final expansion completion	Operational	Ultimate delivery test
Ongoing	Quarterly realised price (most significant catalyst every 3 months)	Scheduled	Very high
Ongoing	Broader lithium market pricing (daily)	Macro	Very high

Module 7 key insight: for a producer like ELV, the **most important catalyst every 90 days is the quarterly activities report**. Revenue, cost, and cash position updates directly drive the SP. One bad quarter (rising unit costs + grade issues + sales shortfall) can unwind months of rally. Conversely, one great quarter (what we just saw) can accelerate it.

The longer-dated catalysts (NAL expansion PFS, 315 ktpa target) are where the *structural* re-rate vs *cyclical* re-rate distinction lives. If they deliver NAL expansion on time and on budget, ELV becomes a different kind of company. If they suffer typical capex blowouts and delays (Module 5 default pattern), the story flattens.

11. Thesis statement (Module 10)

Bull case, in one paragraph: Elevra is a surviving North American hard-rock lithium producer that merged into scale at the cycle trough, cleaned up its capital structure via 150:1 consolidation and RCF VIII cornerstone investment, and is now capturing the lithium price recovery at the operational level. NAL is generating USD\$30m+ of quarterly operating profit at current prices, with a staged expansion pathway to 315 ktpa by early CY29 that's permit-de-risked. The company has transitioned from "will it survive" to "how big can it get" territory, with a meaningful downstream/integrated platform option via Piedmont's legacy Carolina project. At current prices, the stock still trades at a premium to DCF fair value at consensus long-term lithium prices, but that premium is justified if the recovery persists or the deficit scenarios play out.

Bear case, in one paragraph: ELV is a high-cost, sub-optimal-recovery producer whose entire valuation rests on spodumene staying above USD\$1,200/t. Half of the analyst community sees continued surplus in 2026, with Zimbabwean exports and Australian restart capacity (Bald Hill, Mt Cattlin, Ngungaju, Finniss) all capable of adding supply within 4-6 months of a price decision. NAL's concentrate grade and recovery are structural issues that ~USD\$26m annual capex won't fix quickly. The stock has run over 100% from its 2025 lows; much of the macro lithium recovery is now priced in; next-quarter earnings will be the crucial test of whether margins are sustainable through the FY26 seasonal pattern. A return to the USD\$800-1,000/t spodumene range — well within the range of non-crisis historical levels — cuts cash flow by 60%+ and invalidates the current multiple.

What would invalidate the bull thesis:

1. Spodumene falls sustainably below USD\$1,000/t
 2. Mothballed capacity (Bald Hill, Mt Cattlin, Finniss, Ngungaju) restarts en masse, adding 400,000+ tpa of supply
 3. Zimbabwe lifts its export ban
 4. NAL operational metrics (grade, recovery) deteriorate further rather than stabilise
 5. NAL expansion scoping study updates (Q2 CY26) show significant capex creep
 6. Chinese battery demand underperforms vs ESS + EV forecasts
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12. What I'm uncertain about / verify before acting

Things I'd verify from primary ASX/SEC disclosures before sizing a position:

1. **Exact fully-diluted SOI** — factoring in RCF VIII options, Piedmont-era performance rights carried forward, and any post-merger issuances
 2. **Top 20 holders post-merger** — the register composition matters a lot for volatility and liquidity
 3. **Prepayment facility details** — the USD\$54.3m facility, maturity and terms
 4. **Specific scoping study commodity price assumption** for NAL expansion (this is THE sensitivity number)
 5. **Piedmont legacy obligations** — any offtake deals, tax assets, or liabilities that transferred
 6. **Insurance and hedging** — what % of forward production is contracted at fixed prices vs spot exposed
 7. **Directors on-market buying since merger** — the Module 8 litmus test
 8. **Escrow arrangements** (if any) on merger shares — potential future supply overhangs
 9. **Actual concentrate price realisation vs SC6 benchmark** — is the discount for lower grade widening or narrowing?
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13. How this compares to PC2 (since you asked both)

Worth noting for your mental framework:

Dimension	PC2	ELV
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Lassonde stage	3-4 (discovery / resource definition)	10 (producer) + expansion overlay
Primary driver of re-rate	Company-specific discovery	Macro lithium cycle recovery + M&A scale
Cap table quality	Clean, tight, concentrated management	Recently cleaned up; previously very messy
Risk profile	High idiosyncratic (will the drill hits continue?)	High macro (will lithium prices hold?)
Cash generation	None (pre-revenue)	Growing rapidly (USD\$32m quarterly profit)
What kills it	Drill results disappoint + capex shock at PFS	Lithium price crashes again
What makes it 3x from here	Major resource upgrade + PFS showing exceptional economics + takeover	Lithium spodumene sustaining above USD\$1,800/t + NAL expansion delivery
Appropriate position size (per Module 10 framework)	2-4% of mining allocation (Stage 3-4 risk)	5-10% for higher-conviction producer, but consider macro hedge

Key difference: PC2 is a bet on a *company*. ELV is a bet on a *commodity with a decent operator attached*. These are genuinely different investment decisions even though both sit on the ASX gold/lithium board.

Final honest note

ELV is the textbook example of a Module 9 Phase 1 → Phase 2 → Phase 3 producer recovery. The framework predicts exactly this pattern:

- Commodity crashes, producers re-rate hardest to the downside
- Strong survivors merge/consolidate at the trough
- Commodity price base forms, producers re-rate first
- Broker upgrades, index inclusions, institutional re-entry
- Stock doubles+ well before any demand/supply balance is proven

The uncomfortable framework truth is that the easy money has already been made. Buying ELV at A\$1-2 during 2024 was the trade. Buying it at A\$8 is a bet on the recovery continuing, which is a legitimate view but carries meaningfully less asymmetry.

If you're thinking about this stock, the honest question isn't "is ELV a good company" (it's a real producer with real cash flow — it's fine). The honest question is:

- **Where do lithium prices go from here?**
- **What's my edge over the analysts who have already moved their targets up?**
- **What's my downside scenario if lithium retraces 30%?**

If you can't answer those three questions with conviction, you're trading the lithium market with extra operational risk layered on top. That's not necessarily wrong — just know what you're actually buying.

Sources cross-referenced

- Elevra Lithium company website and investor portal (elevra.com)
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- Mining.com.au and mining.com coverage
- Fastmarkets, InfoLink, AzoMining lithium market analysis
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- Reuters / Globe Newswire corporate announcements
- SEC filings (Form 6-K for Elevra Lithium; Form 8-K for Piedmont Lithium pre-merger)
- Herbert Smith Freehills Kramer, Baker Botts, Hamilton Locke deal disclosures
- Yahoo Finance, StockTitan, Simply Wall St valuation frameworks
- The Globe and Mail, The Manila Times coverage of March 2026 quarterly

All claims based on public disclosures and industry reporting as at 23 April 2026. Before acting, pull the primary quarterly (released 22 April 2026), latest investor presentation, and any post-merger Top 20 holder disclosures directly from ELV's investor page.

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