

Elon Musk Tesla Open to Buying a Mining Company

"Tesla is willing to buy a mining company if it means facilitating the global adoption of clean energy technologies," says CEO Elon Musk.

NEW YORK, NEW YORK, USA, June 8, 2022 /EINPresswire.com/ -- CEO Elon Musk has quashed rumors that the electric carmaker might acquire another automaker, but he has indicated that [Tesla](#) may be interested in buying a mining company.

Since Tesla's market value soared above \$500 billion earlier this year, speculation is rife that the company could take over smaller but more established automakers. However, at the FT Future of the Car conference, Elon Musk made it clear that this is not something Tesla is considering.

Instead, Elon Musk said that Tesla could be interested in acquiring a mining company to secure supplies of strategic minerals such as lithium or [boron](#) used in electric vehicle batteries to accelerate the global transition to sustainable energy. This would be a departure from Tesla's current business model, but it could be a necessary move to ensure long-term supplies of minerals such as lithium, nickel, boron, and copper.

The automotive industry faces a metals supply crisis, with electric vehicle manufacturer Tesla at the forefront.

Tesla has the goal to manufacture 20 million electric cars annually by 2030 and produced just under 1 million electric vehicles last year. Other automakers and executives, including Carlos Tavares, CEO of Tesla's Rival Stellantis NV, have warned of an industry-wide metals supply crisis.

Tavares has warned that if the metals supply issue is not addressed, the auto industry will face significant challenges in the coming years.



Tesla In Mining

Tesla does not have any experience in the mining industry, so analysts recommend that the company focus on acquiring an existing metals producer. This would be significantly less expensive than other options, such as Musk's offer to buy Twitter earlier this year. The company has supply agreements with Ganfeng Lithium, Livent Corp, Albemarle Corp, and Piedmont Lithium. On the other hand, the agreement with Piedmont Lithium is currently on hold. For nickel supply, it has agreements with Vale SA and Talon Metals.

Why Is Musk Interested in Buying A Mining Company?

Lithium is a critical ingredient in electric vehicle batteries, and as demand for EVs continues to grow, so does the need for lithium. Tesla plans to meet that demand by getting into the lithium mining business.

It announced its entry into the mining business at its Battery Day event in 2020, beginning with purchasing lithium claims on 10,000 acres in Nevada. This represents a significant shift for the company, which has previously relied on third-party suppliers for its lithium requirements.

However, it has yet to act on this claim or the new technology nearly two years later.

With lithium prices 400% higher than when the announcement was made, Ev manufacturer appears to be making more moves in space. The company is focused on acquiring long-term supply deals with existing mining communities and potential new mines. Still, buying a mining company outright to take over all of its workforces and accelerate development is not out of the question.

Musk Opposing The Trump's Ban From Twitter

Elon Musk's comments come after Twitter announced that it would permanently ban Donald Trump from its platform. In the wake of the US Capitol riot on January 6, the decision was made, which Trump incited.

Twitter stated that the ban was necessary to prevent further violence and unrest. However, Musk believes that the move was "foolish in the extreme."

This decision by Twitter to ban Donald Trump from its platform has been heavily criticized, with many claiming that it violates free speech. Even the company's CEO, Jack Dorsey, disagrees with the decision. In a recent conversation with CEO Elon Musk, Dorsey confirmed that he believes permanent bans are "directionally wrong" and do not work.

CEO Elon Musk has now endorsed the idea of condemnation, claiming that if he owned Twitter, he would reverse the permaban.

Musk made the remarks during an interview at the Financial Times' Future of the Car conference,

calling Twitter's attempt to filter out hate speech and misinformation "morally wrong and flat-out stupid." He continued by stating that blocking Trump on Twitter will not silence him, but instead intensify his supporters' voices.

Even if the ban expires, Trump stated that he would not return to Twitter. He has founded his own social media company Truth Social.

Shadow Of Ambiguity

Elon Musk expressed some suspicion about the Twitter transaction at the event, saying, "I don't own Twitter yet, so this isn't like it's a sure thing."

On April 25, Musk agreed to purchase the social networking platform. According to Twitter at the time, Musk had secured \$25.5 billion in debt and margin loan financing and a \$21 billion equity commitment.

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