

**Canada is an emerging
powerhouse in the
global EV supply chain**

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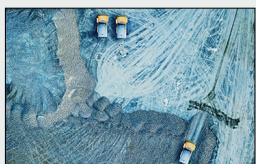
Ambitious goals to decarbonize the economy, combined with global geopolitical dynamics, have created the conditions for Canada to emerge ahead of the pack as a powerhouse in the global supply chain for electronic vehicles and other energy transition products.

Canada has competitive advantages that make it a leading market for investments at all stages of the supply chain—whether it be geoscience and exploration, mineral extraction, intermediate processing, advanced manufacturing or recycling. It is the only country in the Western hemisphere with an end-to-end supply chain for electric vehicles.

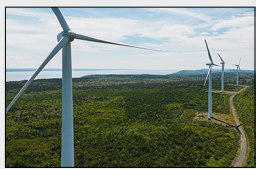
Canada's competitive advantages include



Critical minerals such as cobalt, nickel and aluminum, as well as a significant endowment of other critical minerals deposits, are found in abundance in Canada.



Mining expertise and home to almost half of the world's publicly traded mining and mineral exploration companies.



Abundant low-carbon energy sources providing low-carbon, low-cost electricity to power supply chain production facilities.



ESG credentials are strong in Canada as a prime location for ethically sourced minerals and a world leader in environmental, social and governance standards in the mining sector.



Market access with a large domestic automotive industry and free trade agreements with major automobile producing jurisdictions, including the United States, the European Union and the Republic of Korea.



Skilled and diverse workforce backed up by strong government support for R&D activities.



Low-risk political environment in comparison to other jurisdictions that are vulnerable to geopolitical, economic and other risks.

A positive industrial policy:

- Building out the EV supply chain is a strategic priority of the federal, Québec and Ontario governments.
- These governments are investing billions of dollars through direct project funding and tax incentives.
- These policy decisions are having their intended effect, as evidenced by the number of EV supply chain projects that are underway or have been announced.

Looking ahead:

- Canada's competitive advantages, combined with aligned industrial policy, make new projects very likely.
- Partnerships and joint ventures will continue to be key—including partnerships between OEMs and mineral extractors and processors and partnerships between domestic and foreign enterprises.
- The federal and provincial governments will continue to play a central role, including through
 - new financial investments
 - review of foreign investments entities from state-owned entities or non-aligned countries
 - partnerships with allies, particularly on control over critical minerals
 - streamlining permitting processes to accelerate timelines for bringing large projects to production
 - guaranteeing access to low-carbon electricity with long-term pricing

Osler's leading EV supply chain practice:

Osler has supported clients along every step of the way as this market and the supporting technologies have evolved and disrupted the conventional combustion engine vehicle industry. Our firm is ideally positioned to share the insight we've gleaned from our experience to help you reach your goals and strategic objectives in the North American and global supply chains.

Clients regularly leverage our lawyers' deep expertise in providing guidance throughout the EV supply chain continuum. Recent transactions include

- General Motors Co. in its US\$650 million equity investment in Lithium Americas Corp.
- SK On in connection with a \$1.2 billion investment with Ford and EcoPro BM in Québec
- General Motors Co. on its joint venture with POSCO (Korea) to build and operate a Cathode Active Material (CAM) processing facility based in Québec
- Independent Electricity System Operator in respect of the Oneida Battery Storage facility, a 250 MW energy storage facility located in Southwestern Ontario, considered the largest sustainable energy project in Canada.
- dcbel Inc., a Montreal-based company whose electric-vehicle charging technology allows EV batteries to power homes, in its US\$50 million series B funding led by Montreal's Idealist Capital.
- ChargeLab, the back-end software powering North America's leading EV charger manufacturers, in its securing of a US\$15 million Series A extension financing round.
- Advising several mining companies on the acquisition, exploration and development of critical mineral projects in Canada.
- Advising on financing transactions, including flow-through financings utilizing the Canadian critical mineral exploration tax credit

Want to know more? Reach out to our team of experts:

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