R E P E A T -- First Cobalt Corp. Unveils Strategic Shift to Make Battery Precursor and Nickel Sulfate; Changes Name to Electra Battery Materials

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TORONTO, Nov. 7, 2021 - First Cobalt Corp. (TSXV: FCC) (OTCQX: FTSSF) (the "Company") today announced that it is expanding its strategic plan to provide battery grade nickel and cobalt, recycled battery materials and precursor material to the North American supply chain. The new business model would result in the creation of the only battery materials park on the continent, providing North American automakers with direct access to a secure domestic source of low carbon raw materials.

To better reflect the Company's vision, First Cobalt Corp. will change its name to Electra Battery Materials Corporation ("Electra"). The name change, which remains subject to shareholder approval, better reflects the strategic positioning and more clearly communicates the Company's long-term value proposition for customers, investors and other stakeholders.

Electra Battery Materials is currently expanding a permitted hydrometallurgical refinery north of Toronto to produce 5,000 tonnes of cobalt starting in Q4 2022. The Company has also been testing black mass feeds from recycled batteries and will be announcing results from test work and engineering studies in the coming weeks.

Global consultancy firm CRU has been retained to complete a nickel market study, which will assess market conditions for a battery grade nickel sulfate plant in North America. Results from this study will support ongoing discussions with potential providers of nickel feed material as well as engineering studies for a future low carbon nickel plant, capitalizing on an existing hydrometallurgical plant, hydroelectric power and seasoned construction and processing teams. Development of similar integrated battery material complexes in Europe and Asia have resulted in the construction of precursor cathode active material (PCAM) plants co-located adjacent to integrated refining facilities, as operational efficiencies can significantly lower the cost of battery cells.

HIGHLIGHTS

- Electra Battery Materials' industrial park in Ontario, Canada will be the only integrated battery materials complex in North America, providing a low carbon and domestic supply of key inputs to the electric vehicle revolution
- Strong interest from automotive companies and cell makers in an integrated lithium-ion battery raw materials industrial complex in North America, capitalising on Electra's existing facilities and infrastructure to develop a Battery Materials Park in Canada
- Nickel sulfate production is a fundamental part of Electra's four-phased growth plan, encompassing battery recycling, cobalt refining, nickel refining, and lithium-ion battery precursor material manufacturing
- Electra is in talks with several potential nickel suppliers to secure raw material for its battery grade nickel sulfate facility in 2024-25 which, when combined with Electra's near-term cobalt output, could supply sufficient raw material to build more than 1.5 million electric vehicles per annum
- Electra is also in early talks with precursor manufacturers to partner on the construction of a precursor facility on its Canadian site in 2025
- The Company will be hosting a live investor call today at 11:00am ET where Management will explain its strategic positioning, provide an update on its refinery project and discuss next steps and upcoming milestones. Join here: https://cutt.ly/FTeggwA

"Globalization has created an electric vehicle supply chain that is too long, too costly and increasingly unreliable," said Trent Mell, President & CEO. "Our automaker clients have a strong interest in greater localization of the upstream supply chain to achieve greater reliability, security of long-term supply, and a

lower carbon footprint. With the continent's rich mineral endowment, the rationale for supplying battery materials through Asia into a growing U.S. EV market is not sustainable. Electra will act as a bridge between North American electric vehicles and a North American source of primary and recycled material, providing a low carbon solution for zero emission vehicles.

"We see serious strains in the automotive supply chain and we are still in the early innings of EV adoption. Beneath the surface are several other factors that are of concern, including carbon emissions associated with the current supply chain, resource nationalism, geopolitics and a race to secure raw material to power the vehicles of tomorrow."

Electra's refinery is 100% powered by clean, hydroelectric power from Ontario Power Generation, resulting in nearly zero greenhouse gas (GHG) emissions.

Michael Insulan, Vice President, Commercial added: "There have been several new battery plant announcements over the past few months in North America, adding to a pipeline already exceeding 500 GWh. These plants are going to require thousands of tonnes of locally sourced raw materials. Electra intends to become the first regional refiner capable of providing these materials in bulk through a modular plant design. To keep up with a rapidly evolving market, we can and must do more for the circular economy and through localised primary feeds, resulting in more jobs and investments in our home market."

Battery Materials Park

Electra's metallurgical complex in Canada has a previous operating history and permits which will facilitate an accelerated establishment of a Battery Materials Park. The Company has taken several steps to enable the future expansion of its existing industrial site and is in talks with other market participants and government officials, who are supportive of these expansion plans.

Phase 1 of the four-phase plan is underway and consists of the expansion of an existing refinery complex to produce 26% of the ex-China supply of battery grade cobalt. The project is progressing on schedule and will be commissioned at the end of 2022.

Phase 2 involves treating battery materials from the cathode and anode of lithium batteries to recover lithium, nickel, cobalt, copper and graphite, leveraging existing plant equipment that previously recovered nickel, copper and cobalt. A scoping study is nearing completion and will benefit from existing processes and infrastructure and would be operated by the same team as the cobalt plant. Plans are underway to commission a demonstration plant in 2022 then start treating black mass from batteries on a commercial basis in 2023.

Electra anticipates being very competitive in battery recycling as its hydrometallurgical refinery is expected to provide higher yields at a lower cost and at significantly lower energy intensity, compared to traditional pyrometallurgical facilities. The capital cost of adding a recycling circuit to an existing refining complex will be much lower than planned greenfield facilities - and much faster given that permits are in place. Closed loop recycling of lithium-ion batteries will serve the electric vehicle market in North America and Europe and in the short term will benefit from higher availability of cobalt-rich consumer electronics.

Nickel Strategy

In Phase 3, Electra intends to construct a modular nickel sulfate plant, initially producing in excess of 60,000 tonnes of nickel. A nickel plant will enable the Company's ambition to build North America's first integrated Battery Materials Park.

Electra Battery Materials has initiated a nickel market study with global commodities intelligence and analysis firm CRU, to assess market opportunities for a nickel sulfate plant in North America. The study will evaluate the outlook for battery grade nickel sulfate demand for Electra to advance talks with prospective nickel raw material suppliers in the region.

Electric vehicle sales in the U.S. and Canada grew by nearly 130% year-over-year in the first half of 2021 to

a total of almost 325,000 units, according to Rho Motion, an industry leading electric vehicle and battery forecasting and analysis firm. Battery cell manufacturers and automakers are gearing up to supply the growing market and require a regional battery materials supply solution.

Precursor Manufacturing

The fourth phase of the Company's growth strategy will see the construction of a battery precursor materials plant in 2025, likely with a joint-venture partner.

The company seeks to replicate the successes of battery raw materials complexes in Finland, South Korea and China, catering to a rapidly expanding battery cell industry in the U.S. and Canada.

Co-location of lithium-ion battery precursor manufacturing with nickel and cobalt sulfate production represents a major cost saving in the battery value chain. By removing the need to crystalize material prior to transportation, an operational cost saving in the range of 4-6% can be achieved. Additional savings are realized through reduced logistics costs, which also lowers the carbon footprint of cathode materials.

Corporate Matters

In accordance with the Company's long term incentive plan, First Cobalt has granted certain newly recruited employees of the Company 50,000 Restricted Share Units (RSUs) and incentive stock options to purchase an aggregate of 250,000 common shares of First Cobalt exercisable at a price of the previous day's closing price of C$0.35 for a period of five years. The RSUs will vest in three equal tranches and can be settled in cash or shares. The Company has also issued 35,714 Deferred Share Units (DSUs) to a director as compensation for their services. Long-term incentive grants are a key retention and incentive tool for key employees and new hires and remain subject to the approval of the TSX Venture Exchange.

About Electra Battery Materials

Electra is building North America's only fully integrated, localized and environmentally sustainable battery materials park. Leveraging the company's own mining assets and business partners, the Electra Battery Materials Park will host cobalt and nickel sulfate production plants, a large-scale lithium-ion battery recycling facility, and battery precursor materials production, which will serve both North American and global customers. Electra Battery Materials is an integral part of the North American battery supply chain, providing low-carbon, sustainable and traceable raw materials for the region's fast growing electric vehicle industry.

On behalf of Electra Battery Materials.

Trent Mell
President & Chief Executive Officer

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are set forth in the management discussion and analysis and other disclosures of risk factors for Electra, filed on SEDAR at www.sedar.com. Although Electra believes that the information and assumptions used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, Electra disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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Contact
For more information visit www.firstcobalt.com or contact: Investor Relations, Christina Lalli, clalli@ElectraBMC.com, +1.416.900.3891

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