

Green Swan CEO Peter Clausi on a global shortage of cobalt at a time when demand is skyrocketing

September 9, 2016 – Peter M. Clausi, President, CEO and Director of Green Swan Capital Corp. (TSXV: GSW), in an interview with InvestorIntel Sr. Editor Fred Cowans, discusses cobalt, its use in lithium-ion batteries and supply issues currently facing the metal. Peter explains that a 10-15% drop in global cobalt production is expected at a time when demand is skyrocketing. They also talk about the cobalt, gold, copper and nickel mineralization at Green Swan's "Copper Prince" property in the Sudbury Basin.

Fred Cowans: Cobalt. Let's talk about cobalt. What are its uses and what are the issues with cobalt currently?

Peter Clausi: The experts are calling for a global shortage of cobalt beginning this year. Cobalt is a by-product mainly of nickel and copper mines. With the price of those commodities so low many nickel and copper mines are shutting in, decreasing the supply of cobalt. Amnesty International is also involved in imposing an ethical supply chain out of some production from Africa. Experts in the field are expecting a 10% to 15% drop in global production at a time when demand is skyrocketing.

Fred Cowans: The demand is primarily from batteries for EVs (electric vehicles)?

Peter Clausi: That's true, but 50% of the usage of cobalt is medical, industrial, super alloys, batteries, ceramics and paint, and 50% is electric batteries in what we call lithium-

ion batteries. The periodic table is unforgiving. If you're going to have a rapid charge/discharge lithium-ion battery, you must have cobalt in it. For example, just the Tesla Model 3 will consume roughly 7.5 million kilograms of cobalt just for that one model, that one run of vehicles.

Fred Cowans: Well, if there are ethical issues in parts of the world where most of the cobalt historically has been coming from, if there are questions about demand increases and lack of supply, being in the Sudbury Basin is pretty exciting. What have you found up there?

Peter Clausi: Well, Sudbury is a bizarre place geologically. There's nowhere else in the world like it. There was an asteroid impact roughly 1.8 billion years ago, which makes Sudbury a unique stew of polymetallic deposits. If you look at this map you will see that in the middle are the sediments and metasediments, basically your waste host rock, and all of the producing mines in the Sudbury region are along the edges of the basin, along the fault lines, along the offsets.

Fred Cowans: Those companies historically include Glencore and its predecessors INCO.

Peter Clausi: INCO, Stelco, Wallbridge Mining. All your Sudbury mines are on the edge or on the cracks or on the offsets. There's nothing in the middle of the Basin. Green Swan has found a cobalt-gold-nickel-copper property towards the southeast edge of the basin right beside the Glencore property near the Manchester Offset.

Fred Cowans: Before we get into exactly what you found, the area is just brimming with the expertise and the infrastructure. You've got great relationships with the local personnel.

Peter Clausi: We do. Green Swan takes its relationships with communities very seriously. We're very active in CSR. Right now, if you look at this map you can see the location of our

main body of claims and immediately to the west and slightly to the north is the Glencore property, the famous Sudbury smokestack. We are easily accessible for infrastructure, mining knowledge, mining wisdom, supplies, road access, water access, whatever we need will be taken care of given our proximity to Glencore... to access the complete interview, [click here](#)

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