

Farquharson confirms coming cobalt deficit, outlines Formation's mine timeline

*May 5, 2016 – Formation Metals Inc. (TSX: FCO | OTCQX: FMETF | FWB: F0Q)) is a Canadian mineral exploration and mine development company that through its wholly owned subsidiaries has interests in base and precious metals and uranium projects in Canada, United States and Mexico. The company's primary asset, located in the mining friendly state of Idaho, is the 100% owned, fully-permitted **Idaho Cobalt Project** which is comprised of the mine and mill near Salmon, Idaho, and the proposed Cobalt Production Facility for refining mine concentrate. The mine site is now prepared to commence underground development contingent on successful conclusion of mine financing.*

As InvestorIntel readers well know, the availability of cobalt for batteries is complicated by (a) the looming shortage of the metal and (b) the competing demand for it. While projections for 2018 show that battery chemicals will require 49% of cobalt output, the metal is also needed for superalloys, hard metals, ceramics and pigments, catalysts, tyres and paint dryers, electroplating, animal feed, synthetic diamonds and other battery technologies.

May 5, 2016 – In a special InvestorIntel interview, Publisher Tracy Weslosky speaks with J.Paul Farquharson, President and CEO of Formation Metals Inc. In this interview, Paul outlines:

- The advances made in metallurgical work
- How Formation owns the only primary cobalt mine in the Western Hemisphere, and only one of two in the world
- The timeline to production as a cobalt deficit looms

Tracy Weslosky: Paul I rarely have a situation where all my editors and analysts all kind of crowd around me and say you have to follow this story. We have to write more about Formation Metals and you're certainly an example of this. Last month for instance your stock was up +80% proving that, again, my analysts and editors know what they're talking about. Can you tell me why your stock did as well as it did?

Paul Farquharson: Well, I think Tracy, you know, there's a lot of different factors there, but we have been, kind of, trying to get the word out lately about the company. We've just finished a lot of metallurgical test work. That work is done now so



we can prove that we can make a product from our actual ore itself and the Prospectors and Developers Association it happened just a little while ago so we were really out talking about the company and making things happen.

Tracy Weslosky: Well, of course, you had a corporate update. This corporate update – I've seen a lot of companies put out corporate updates that do not get as good of a response as yours did. You did earlier in March. Of course, the metallurgic studies that you were talking about, I was reading it included a final high purity cobalt salts results. Can you help me understand what this means>

Paul Farquharson: Well, the metallurgical work is feasibility level metallurgical work and that's where we're heading toward, a feasibility study. What we did, we actually took our own ore from our project in Salmon, Idaho and we delivered it to Hazen Engineering in Denver and Hazen made a concentrate from our ore. Then once you have a concentrate it goes to Cytec. Cytec are the ones that provide us with the reagents. They hit it with the reagents and they make a pregnant leach solution, which once again is our ore. That solution then gets

shipped to General Electric because they have the crystallizers and we made an ultrapure cobalt chemical, cobalt sulfate heptahydrate, which is used in the battery industry. It was proof that on a bench test level we could go from our ore to a final ultrapure product. That's very huge for us and the company. To access this interview, [click here.](#)

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