Power Nickel is building a nickel sulphide resource in Canada ready to potentially supply a new EV metals supply chain

written by Tracy Weslosky | September 26, 2022

Canada as an EV metals supply and processing hub for North America

One of the biggest upcoming trends for 2023-25 is the establishment of Canada as an EV metals supply and processing hub for North America. The past few months have seen numerous announcements by battery and cathode manufacturers planning new facilities in both Quebec and Ontario, Canada. Some examples from the past 6 months include:

- BASF – Cathode active materials and recycling site acquired in Bécancour, Quebec
- GM & POSCO – Plan to build a $400 million facility to make cathode active materials in Becancour, Quebec
- "Stellantis & LG Energy to construct a $5.1 billion Ontario battery plant to begin Q2, 2022 with production slated to start in early 2024
- Avalon Advanced Materials Inc. (TSX: AVL | OTCQB: AVLNF) and Essar Group Company JV to establish Ontario's first regional lithium battery materials refinery in Thunder Bay
- Umicore plans to construct a manufacturing facility for cathode active battery materials and their precursor materials in Ontario, Canada. Construction planned to start in 2023 and operations by the end of 2025

Even Tesla appears to be strongly considering Canada for their next gigafactory.

The main reason for all this excitement towards Canada as an EV metals supply and processing hub for the U.S is that Canada has all the EV metals and is close to USA, where permitting can be much more difficult. The Canadian government is also making great efforts to support this. It is also the case that the U.S is rushing to develop their own EV supply chain, independent of China and Russia. The Inflation Reduction Act mandates escalating battery critical minerals requirements (40% for a vehicle placed in service before 1 January 2024 rising to 80% for a vehicle placed in service after 31 December 2026) to qualify for U.S EV tax credits, with a key basis being that the battery metals will need to be sourced from North America or U.S free trade countries.

This puts Canada right in the box seat.

Power Nickel Inc.

Power Nickel Inc. (TSXV: PNPN | OTCQB: CMETF) is a Canadian junior miner with an option to acquire 80% of the NISK nickel sulphide Project in James Bay, Quebec, Canada. Power Nickel already has a solid initial NI 43-101 Compliant Mineral Resource Estimate on the NISK Project of more than 2.5 million Indicated tonnes at 1.20% NiEq. and 1.4 million Inferred tonnes at 1.29% NiEq. NISK has valuable bi-product metals such as copper, cobalt, palladium, and platinum.

Power Nickel 2022 N43-101 Resource estimate

Source: Power Nickel company presentation

Some exciting parts about the NISK Resource are: the resource is

well located in Quebec, is sulphide ore (easier and cheaper to process than laterite ore), has significant expansion potential from the current total ~4 million tonnes I&I Resource, the site benefits from a major highway adjacent to it and a Hydro Quebec major substation across the road, and a nearby airport. The local Cree Nation community are generally pro-mining. With regards to the expansion potential CEO Terry Lynch is optimistic the Company can expand the resource size towards 8-10 million tonnes and potentially larger over time. Similar geological ultra mafic style deposits in Canada include Lynn Lake (~22M tonnes) and Voisey's Bay (~50M tonnes).

The only negative, according to my experts is that some of the Resource is underground which typically is more expensive to mine.

NISK Resource model showing potential open pit and underground resource

Source: ***Power Nickel company presentation***

A second round of drilling is currently underway at the NISK Project, so investors will need to wait to see if the promising drill results can continue at NISK. CEO Terry Lynch recently stated:

"We are very excited to get back to drilling and building on our resource at Nisk. The initial round of drilling was done largely to verify the historic resource and allow us to post the inaugural NI 43-101 Technical Report and MRE. This round, based on what we've learned from the MRE study, will enable us to better explore and we hope to expand the resource as we look to demonstrate Nisk has the potential to become Canada's next Nickel Mine. The plan is to drill around 5,000 metres but will

adjust that to opportunities on the ground. We would expect the drilling program to continue into December and we will provide updates as progress dictates."

With nickel currently trading at US$23,130/t and 3 month LME nickel future contracts at US$24,562/t you can see why nickel is such a valuable metal and why Power Nickel has plenty of potential.

A growing nickel sulphide resource, easy road access, and access to abundant low-carbon hydropower, makes Power Nickel look like a potential future ESG winner to supply nickel from Canada's emerging EV metals hub.

Due to the early stage, the current market cap is only C$9 million. A very exciting early stage nickel junior and one to watch closely in the months ahead.

Disclaimer: The editor Tracy Weslosky is both a shareholder of Power Nickel and a supporter of the CEO Terry Lynch's Save Canadian Mining, which was created to stop predatory short selling. Tracy is the founder of InvestorIntel.com but she is not an investment advisor, and is neither licensed to make any buy or sell recommendations. For more information, she recommends SEDAR.com for you to do your own due diligence.

Avalon's Don Bubar on the first regional lithium battery

materials refinery in Ontario

written by InvestorNews | September 26, 2022
In this InvestorIntel interview with host Tracy Weslosky, Avalon Advanced Materials Inc.'s (TSX: AVL | OTCQB: AVLNF) President, CEO and Director, Don Bubar talks about Avalon's recent partnership agreement with an Essar Group company to co-develop Ontario's first regional lithium battery materials refinery in Thunder Bay, Canada.

In the interview, which can also be viewed in full on the InvestorIntel YouTube channel (click here), Don Bubar says that the setting up of the refinery is the key step in establishing a domestic battery materials supply chain to serve the needs of future electric vehicle and battery manufacturers in North America. Touching upon the Ontario government's Critical Minerals Strategy to support a domestic electric vehicle supply chain, Don provides an update on the feasibility studies for both the refinery operations and lithium mineral concentrate production at Avalon's Separation Rapids, Ontario, Project. With the Canadian Federal government also signaling strong support to the domestic critical minerals industry in the 2022 Canadian Federal Budget, Don talks about the renewed interest for Avalon petalite lithium mineral concentrates from high strength, high temperature capable, glass and ceramic manufacturers.

Don't miss other InvestorIntel interviews. Subscribe to the InvestorIntel YouTube channel by clicking here.

About Avalon Advanced Materials Inc.

Avalon Advanced Materials Inc. is a Canadian mineral development company specializing in sustainably-produced materials for clean technology. The Company now has four advanced stage projects, providing investors with exposure to lithium, tin and indium, as

well as rare earth elements, tantalum, cesium and zirconium. Avalon is currently focusing on developing its Separation Rapids Lithium Project near Kenora, Ontario while continuing to advance other projects, including its 100%-owned Lilypad Cesium-Tantalum-Lithium Project located near Fort Hope, Ontario. Social responsibility and environmental stewardship are corporate cornerstones.

To learn more about Avalon Advanced Materials Inc., click here

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If you have any questions surrounding the content of this interview, please contact us at +1 416 792 8228 and/or email us direct at info@investorintel.com.

NEO Battery Materials fast tracks their silicon anode EV battery material plant in Korea

written by InvestorNews | September 26, 2022
NEO Battery Materials Ltd. (TSXV: NBM | OTCQB: NBMFF) ("NEO") is advancing at full speed with their recent announcement that they have "completed a contract for the Commercial Plant's construction, design, and permits with an architectural firm". The plant will be located in Gyeonggi Province's Oseong International Investment Zone in South Korea, near major battery manufacturers LG Energy Solution and Samsung SDI.

As a brief reminder for new investors, NEO has developed high-performance silicon anode materials to replace parts of the graphite used by anode and battery manufacturers in their

battery anodes. Their leading product is NBMSiDE™, a silicon anode material for EV lithium-ion batteries. NBMSiDE™ is manufactured through the Company's proprietary nanocoating technology, achieving a high specific capacity of >2,500 mAh/g. This essentially means the NEO silicon anode material helps improve the all-important battery energy holding capacity and ultimately the charging speed of the EV.

As NEO states: "Through a mix of treatments and nanocoating materials, NEO utilizes pure metallurgical-grade silicon particles, which provide a 40-70% higher initial specific energy or capacity compared to current competitors that employ SiOx, SiC, or other composite silicon materials."

South Korea anode plant design progressing with an increased production target

Regarding the new anode materials plant, the final site approval has now been granted. Due to the land site being in a Foreign Investment Zone, NEO will receive a range of benefits including a 99% reduced lease rate and tax incentives. NEO may also access Provincial financial support for equipment purchases, employment subsidies, and education/training subsidies.

Additionally, NEO recently stated that the "Company will now advance to the detailed process design for the production lines and will proceed with early orders of components that have long lead times for the commercial plant. Through a structured execution plan of performing procurement and construction processes one after another, NEO expects to achieve the initial commission of the Commercial Plant by the first half of next year… We are currently working on pursuing strategic investments and communicating with the respective companies and investors to finance the construction of the commercial plant."

In another very interesting development from NEO, the Company

has increased their anode material production targets again. The original pilot plant capacity was 10 tons, which last year was increased 12 fold to a commercial scale of 120 tons pa. This was recently increased to 240 tons pa. Even more impressive is the longer term target of the full facility capacity after installing the maximum number of mass-production lines through expansion, of 2,000 tons of NBMSiDE™ anode material pa.

NEO has also been busy sending NBMSiDE™ product samples to several potential off-take companies for testing. If this stage goes well then usually off-take agreements follow, which then typically helps the project financing process.

"The first refined sample of NBMSiDE™ has been provided to a Europe-based battery materials company," NEO recently stated, "and a second delivery is planned in April. NEO is additionally conducting sample tests with several Asia-based and European battery manufacturers."

NEO has also recently internally developed NBMSiDE™ pouch-type full cells which have been manufactured to evaluate product performance, viability, and durability in genuine battery charging conditions.

In an April 5, 2022 news release NEO stated that: "NEO Battery Materials will commence construction in June 2022 and will follow stringent timelines and protocols to aim completion in June 2023." I would assume this is subject to project financing.

Closing remarks

NEO is making great progress with their silicon-anode material commercialization plans, with the excellent advantage of locating their manufacturing facility in the Oseong International Investment Zone in South Korea.

Investors should understand that the next stages of product evaluation and testing, off-take deals, financing, and project construction all carry risks and the possibility of delay. Nonetheless, NEO is certainly making all the right moves and looks to be very well connected to the major Korean battery manufacturers.

NEO Battery Materials trades on a market cap of C$52 million.

Canada Cobalt Works' CEO on the 'real market' for cobalt

written by InvestorNews | September 26, 2022

Frank Basa on how the real market for the cobalt sulfate provider is the cathode market

"We just came back from Europe. We spent some time in Germany. We listened to the end buyers. We are targeting the end buyers. I think drill results are effective, but the reality, what the market wants, what the end buyer wants is cobalt sulfate, nickel sulfate, manganese sulfate, all these products. You have to show them that you can produce those products. You have to meet their technical grades, technical specifications and you have to be very reasonable that what you have you can deliver." States Frank Basa, President, CEO and Director of Canada Cobalt Works Inc. (TSXV: CCW | OTCQB: CCWOF), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: Frank in preparing to talk to you about Canada Cobalt Works I was so impressed with your background. You are a

resource industry expert. Let us start with cobalt. The cobalt stocks are currently not performing the way I would think as an investor they should be performing. Can you tell us what is going on with the cobalt industry?

Frank Basa: Actually we are probably in the same spot like everybody was originally. What we did was we listened to the market. We listened to the people that would be buying our product and we did what we call a technical. We said, look we will show the world we can remove the undesirables from our product and also produce the cobalt sulfate that the market wants. We were actually in China and Japan. We spent 10 days in Asia about a year and a half ago. What you are reading now we already knew about that a year and a half ago. We just came back from Europe. We spent some time in Germany. We listened to the end buyers. We are targeting the end buyers. I think drill results are effective, but the reality, what the market wants, what the end buyer wants is cobalt sulfate, nickel sulfate, manganese sulfate, all these products. You have to show them that you can produce those products. You have to meet their technical grades, technical specifications and you have to be very reasonable that what you have you can deliver.

Tracy Weslosky: Alright. Let us just start for the InvestorIntel audience, we are self-directed accredited investors, can you tell us what cobalt sulfate is? What is the difference?

Frank Basa: You see a lot of the smelters only produce cobalt metal, but the cathode makers are asking for cobalt sulfate and it is a special thing that they want. They want a certain grade and plus you have to have certain purity or impurities removed from the product. Then they take that product and they blend it either with a nickel sulfate or manganese sulfate or a copper sulfate to make their own specific battery. It is sort of like a recipe. They have their own cookbook. What we have to do is

produce these products on specification so they can make their end product for the cathode makers.

Tracy Weslosky: If I hear you correct the real market for the cobalt sulfate provider is the cathode market?

Frank Basa: Yes.

Tracy Weslosky: Okay. Tell us about the cathode market.

Frank Basa: Apparently everybody has been talking, that is what we thought, about battery manufacturers, but the reality was you go to the cathode makers. They are the ones that produce the product for the battery manufacturing people. It is kind of a little more sophisticated. Japan is even far more sophisticated. For example, we met with Nissan to talk to them to get a feel for the cobalt market. The way Nissan works they have to buy from metal trader. The metal trader buys it from somebody, gives it to the cathode maker and then Nissan has a design battery that somebody else makes for them. Then Nissan gets the battery…to access the complete interview, click here

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Gorman on Graphite and the Battery Revolution

written by InvestorNews | September 26, 2022
June 21, 2018 – "When you look at graphite and you look at its conductivity, its thermal abilities and its hardness, it cannot

be replaced by any other material. We have to work with the governments, which we are doing right now. We have to work with the engineers, which we are doing right now. And we have to work with the end-user to understand what they need because right now we are sitting on the cusp of something that is going to happen and it is called the battery revolution." states Paul Gorman, CEO of NovoCarbon Corp. (TSXV: GLK | OTCQB: GLKIF), in an interview with InvestorIntel Corp. CEO Tracy Weslosky.

Tracy Weslosky: Paul, NovoCarbon is going to be the only producer of spherical graphite in North America. Did I get that right?

Paul Gorman: You did get that right. We have spent a lot of time, a lot of energy, and a lot of money to get to where we are today under the NovoCarbon banner to be able to produce a material for battery manufacturers here in North America.

Tracy Weslosky: I am going to back you up because not all of us understand what spherical coated graphite is. Help me understand this.

Paul Gorman: It is simple. I mean, a cupcake is a cupcake with icing and frosting on it. How do you get to that point? You need bakers. You need icing. You need a way to deliver that cupcake and it has got to be consistent every time or your customers are not going to buy it. We are in the business of providing a quality material that is spherinized, shaped, and coated for an anode powder. If you cannot make a cupcake you are out of business and that is all we do. It is basically baking and knowing how to do it.

Tracy Weslosky: I love this. This is a metaphor I can understand. Let us also then discuss the end-users, the offtake agreements. Targets then would be what, the battery makers?

Paul Gorman: The battery makers are where we are targeting. Mega factories are being built around North America right now. We are taking advantage of what we started 4 years ago, which was to qualify and sample material that we get as feedstock from Brazil, bring it in, and show it to the customers. When they actually go through their engineering process the clock starts. $2 million dollars later and 3 years later we are now at the point we are actually qualifying and sampling with the big makers here. We are very happy because there is no other competition that stands in our way.

Tracy Weslosky: Let us discuss one of the other critical aspects of these critical materials, which is, of course, the Chinese are producing 80%, Trump is talking to everybody about sustainability and getting it out of North America. Obviously this would be impacting you and your shareholders positively or so I am guessing.

Paul Gorman: Absolutely. The value is there. We need the miners to mine the feedstock. We need the battery companies to be successful in building batteries. We are such a small part of that, but we are a very important part of that. When you look at graphite and you look at its conductivity, its thermal abilities, and its hardness, it cannot be replaced by any other material. We have to work with the governments, which we are doing right now. We have to work with the engineers, which we are doing right now. And we have to work with the end-user to understand what they need because right now we are sitting on the cusp of something that is going to happen and it is called the battery revolution…to access the complete interview, click here