TechMet’s Brian Menell with Jack Lifton on the “extreme supply-demand dislocation” in technology metals due to EV market demand

In this episode of the **Critical Materials Corner** with Jack Lifton, Jack speaks with Brian Menell, Chairman and CEO of TechMet Ltd., about the “extreme supply-demand dislocation” in technology metals as the electric vehicles and energy storage industries accelerate.

In this InvestorIntel interview, which may also be viewed on YouTube (click here to subscribe to the InvestorIntel Channel), Brian went on to say that TechMet is an investment company that invests in projects across the technology metal supply chain adhering to the highest level of ESG standards. With focus on cobalt, lithium, nickel, tin, tungsten, vanadium, and rare earths projects, Brian told InvestorIntel that TechMet is “only metals and mining company with significant direct U.S. government equity participation.” Brian also provided an update on some of the projects that TechMet has invested in which includes the largest lithium-ion battery recycling company in North America and the cheapest producer in the world of electrolytes used in vanadium redox flow batteries.

To watch the full interview, click here

About TechMet Ltd.

TechMet is a private industrial company that is building controlling or significant minority positions in world-class projects across the technology metal supply chain.

To learn more about TechMet Ltd., click here

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If you have any questions surrounding the content of this interview, please email info@investorintel.com.

Pilot Plant Project to Produce Battery Metals Yields Positive First Steps

Last week, Canada Silver Cobalt Works Inc. (TSXV: CCW | OTC: CCWOF) ("CCW") announced that bench-scale test work has yielded positive results in producing a concentrate required for its Re-2Ox process.

In addition to owning a silver-cobalt exploration project, CCW also owns a proprietary hydrometallurgical process known as Re-2OX that can process mineral concentrates into cobalt sulphate, an important component for making Electric Vehicle ("EV") batteries.

Re-2OX Process

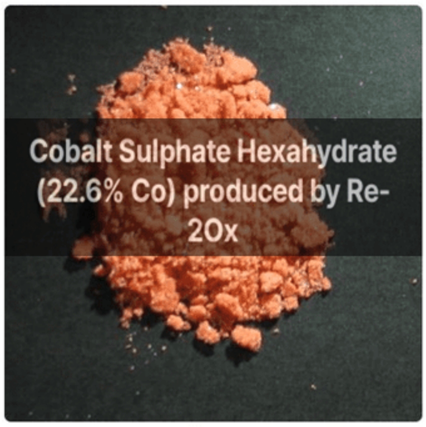
The environmentally-friendly Re-2OX process, bypasses the smelting process, to produce a cobalt sulphate hexahydrate from feed material such as mineral ore, tailings or recycled batteries.

While the Re-2OX process recovers cobalt, manganese, nickel, silver and other metals, it can also remove toxic compounds. The recovered metals can be sold without smelting or further processing.

In 2018, the Company extracted an 82-kg sample of vein material from its Castle Mine in northern Ontario, Canada and sent it to SGS Laboratories in Lakefield, Ontario.

The vein material was processed into cobalt-rich gravity concentrates and then run through the Re-2OX process. The process produced EV battery-grade cobalt sulphate at 22.6% cobalt that exceeded the specifications required by battery manufacturers at that time.

The Re-2OX process recovered 99% of the cobalt, 81% of the nickel and 84% of the manganese from the concentrate and, importantly, removed 99% of the arsenic.



SOURCE:

Battery Metal Pilot Plant Underway

CCW is now working with SGS on a Pilot plant to scale up the Re-2OX process for the production of cobalt-nickel-rich gravity concentrates. The Company believes the process can be an economic method of producing, locally sourced, client-specific battery metals for the North American EV market.

The plan calls for the Pilot plant to be built and operated by SGS in Lakefield, Ontario and use silver-cobalt ore from the region including the Castle Mine property.

In May 2020, CCW released a maiden NI 43-101 mineral resource estimate for the Castle Mine project of 27,400 tonnes of material at an average silver grade of 8,582 g/t (250.2 oz/ton) for a total of 7.56 million Inferred ounces, and 2.54 million cobalt ounces at a grade of 3,260 g/t cobalt.

Frank Basa, CEO and Director commented, “The economics of harvesting both the base metals and silver, then adding value by processing it into premium EV battery metals will provide the Company with two solid income streams and we are excited for the future as the High-Grade and Technology Leader in

Canada’s Silver Cobalt Heartland.”

Battery Recycling Using the Re-2Ox Process

Earlier this month, CCW announced that it has begun studies at SGS Canada to use the Re-2Ox process to extract minerals from old batteries. The Re-2Ox process is adaptable to recover rare earth metals from lithium-ion, nickel-hydride and nickel-cadmium batteries.

“We strongly considered this initiative a few years ago but initial research turned up a lack of feedstock at that time, but this has now changed. With feedstock currently available and coupled with the Re-2Ox process, the path is clear for the Company to develop what can be a robust and ever-increasing potential income stream by providing future tolling services for the treatment of used batteries,” remarked Frank Basa.

Acquiring EV Properties with the Potential for a Spin-out Battery Metals Company

Last month, CCW announced the acquisition of 39,200 hectares of EV properties in Quebec and Ontario.

The Company also reported that it was their intention to transfer the properties to another public company, in order to capitalize on the current EV market, and to dividend the shares to CCW’s existing shareholders.

Final Thoughts

CCW’s is focusing on becoming a producer of both silver, cobalt and other battery metals for the North American EV market. With its high-grade silver-cobalt mine and Re-2OX process, the Company is well positioned to become a Canadian leader in the production of silver, cobalt and other metals used in the EV industry.

CCW closed yesterday at C$0.46 with a market cap of C$56.0 million.

Chris Reed on "The Evolution of Lithium"

In a recent presentation at InvestorIntel's 6th Annual Technology Metals Summit, Chris Reed, Managing Director of Neometals Ltd. (ASX: NMT) delivered a presentation titled, "The Evolution of Lithium". Addressing industry and investors alike, Chris provides an overview of Neometals' lithium business, which includes commercializing the Mt. Marion Lithium Project and Neometals' lithium-ion battery recycling pilot plant. Chris also shares with the audience, Neometals' lithium metal recycling strategy, which involves recovering cobalt from lithium cobalt batteries in consumer electronics… to access the complete presentation, click here

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Neometals: To Slice or to Dice? That is the Question

The old Chinese curse goes "May you live in interesting times". These certainly count as interesting, and perplexing, times in the Lithium space. The auguries for a massive demand surge are very strong while the flow of projects beyond those already under development is paltry indeed. And yet valuations of even the best proven movers and shakers have been wallowing. The pain is particularly poignant for Neometals Ltd. (ASX: NMT) because it has been doing everything right and has arrived at the producer category and has oodles of that precious commodity most other miners don’t have, namely cash, and yet its valuation has sagged 40% from last year’s highs.

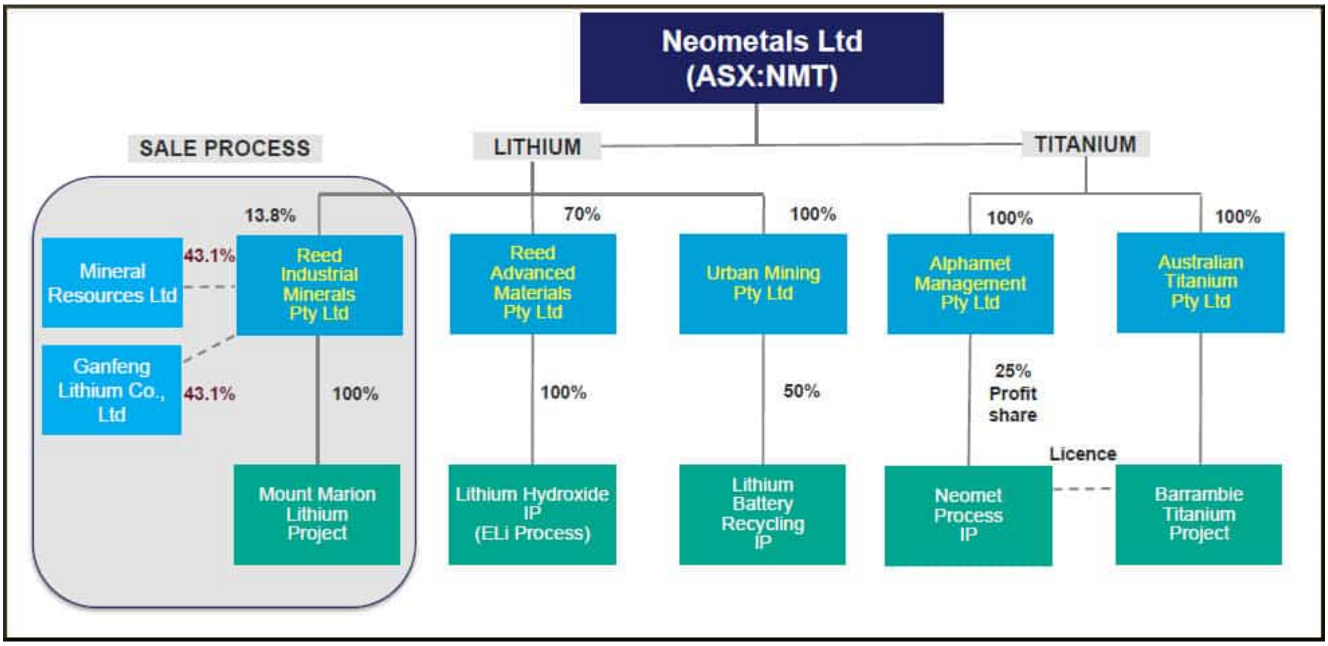
Faced with such a situation managements can either act like “deer in the headlights” or be proactive. We attended an investors’ lunch in London this week which Neometals hosted and it was something quite out of the ordinary. For one there was a journalist present, which is surprisingly rare and also the ambassador of Bolivia was in attendance which was even more intriguing as Neometals has no Bolivian business. Apparently he was there due to the potential of NMT’s brine processing technology to be applied to that country’s renowned salares.

As the presentation progressed it became evident to the audience that Neometals had the potential (and maybe even the plan) to break itself up to maximize value and re-energise investor interest. This has prompted us to look at ways that the company might be “sliced and diced”.

What We Have Now

In the time that we have covered Neometals it has gone from being a multimetal explorer to being almost solely focused on Lithium to now widening out its interests again but also moving downstream and into technology. The main verticals from our perspective are Lithium and Titanium but others might prefer to look at the company on a more horizontal division between Upstream and Downstream.

We prefer the former and we shall explain why. Firstly though we would add to the verticals should have a battery recycling business added as a third vertical. Below is an organogram that shows the current corporate structure.



The Logical Path

We would see the most attractive way to carve up this situation as being a division into a "chemical story" and a Titanium developer. The chemical story would be all the Lithium businesses, the battery recycling and the technologies as they pertain to Lithium, while the Titanium would be the Barrambie project and the Titanium technologies and a majority of the cashpile. The chemical story would then become a potential candidate for a NASDAQ listing where, depending on the spin, it can join the ranks of the highly-rated chemical stories listed in the US markets.

Going Chemical

To spin the Lithium aspect of the Neometals structure as a chemicals story is not exactly all that difficult. With the mining stake at Mt Marion being only a minority position to Ganfeng and yet with access to a share of the flow of ore, the planned Lithium Ion battery recycling plant, plus the various technologies for lithium processing and a lithium hydroxide plant being mooted, Neometals is not a bit of a chemical company, it is potentially a lot of a chemical company. The Big Three of the Lithium space (dare we say, cartel) are FMC, Albemarle (since its takeover of Rockwood) and SQM. All are listed in the US (SQM having an ADR). The current ratings on these are:

- FMC – P/E of 44 times
- SQM – P/E of 28.7 times
- ALB – P/E of 45 times

It’s this type of powerful valuation that makes breaking out of the ratings given to miners (particularly on the ASX) a powerful temptation. In any case a spin out of the Lithium & recycling division would keep the ASX listing for both parts, just have the primary listing in the US.

Conclusion

The company might argue that the secret sauce(s) of the technology are the thing. We would argue instead that Titanium (and the technologies related thereto) can be standalone and the fact that it can be used in Lithium Titanate batteries is not sufficient case to argue that it is a “must have” for vertical integration with a Lithium operation.

Meanwhile having a residual position in Mt Marion gives cashflow and puts it in good company as all the Big Three that have stakes in producing mining operations. Keeping the Mt Marion stake gives some E to underpin a P/E.

We might also note that setting Barrambie “free” from the existing structure (or making it the continuing company) would bring to the investing public’s attention as asset for which there is currently no credit being given and create a pure play in the Titanium space.

Clearly good lithium prices, a strong demand outlook and actually having production (or a share thereof) is not good enough for mining investors. However by opting out of the mining rat-race and joining the more lucrative chemical company rat-race, Neometals will be showing itself to once again be ahead of the pack.