

Zombies in the Land of Cobalt

written by Peter Clausi | April 15, 2019

It's like *Pet Sematary*. Just when you thought they were buried and gone, just when you come to terms with your losses and say goodbye, they come back. No, not recycled politicians, ex-spouses or 70 year-old rock&rollers on their fourth farewell tour. We're talking about the metals.

There weren't many consistent themes at [PDAC](#) in Toronto this year, but one constant credible whisper was that this will be the year gold finally makes a big move. Since hitting its high of over USD\$1900 per ounce in late August, 2011, gold has given the market a few reasons to hope but few reasons to believe. The current global macroeconomic factors now in play finally add to the reasons to believe.

As [stated by Jeff Currie](#), Goldman Sach's global head of commodities research in early March, 2019, "We actually think this is a pound-the-table time to be buying gold right now. We're sticking to our \$1,450 target."

When gold is alive, all the metals get to suck in a deep breath of fresh air. Our pick for the metal that should have a tremendous 2019 is our old friend, #27 on the periodic table, cobalt.

Our thesis is first, gold's spike will renew interest in the mining sector generally, and second, the globe is facing a shortage of key minerals vital to drive the Green Revolution. The Green Revolution requires cobalt or there won't be mass produced lithium-ion batteries. Without those batteries, there is no Green Revolution. If you think the world will produce more electric cars than last year, then be a cobalt investor.

Our [last look at cobalt](#) was in September of 2018. We looked at how the price per tonne on the London Metal Exchange had blown up from roughly \$24,000 to \$94,000, and then over the past year sank back around \$30,000. It was not a happy time to be a shareholder in cobalt explorers, as pricing in their shares tracked downwards with the plunge in cobalt pricing.

At PDAC this year I asked the question to many industry participants, what caused the ill health in the cobalt market? There was no consistent first answer, but it seemed like everyone's second answer was to blame China for some form of market interference.

Artificial market conditions can only continue for so long before they return to the norm. That might be happening now.

In September we looked at six cobalt companies and their performance YTD. Here they are as of today's date.

Name	High	August, 2018	Today
First Cobalt	\$1.65	\$0.26	\$0.165
Cobalt Power *	\$0.50	\$.045	\$0.01
Cruz Cobalt	\$0.41	\$0.08	\$0.05
eCobalt Solutions	\$2.10	\$0.54	\$0.34
Cobalt 27	\$14.00	\$5.73	\$4.30
CBLT **	\$0.09	\$0.03	\$0.025

*Cobalt Power changed its name to Power Group Projects and carried out a 1-for-12 consolidation, and is now trading at \$0.13 per share. The price in the table above reverses the consolidation for comparative purposes.

**The author is an insider at [CBLT Inc.](#) (TSXV: CBLT).

The numbers show the junior cobalt explorers are still in a coma.

The main reason for continued enthusiasm for cobalt recovery is that the basic economics of supply and demand have not changed. Cobalt is an essential element in lithium ion batteries. The average cell phone, for example, requires roughly 12 times more cobalt than lithium. Tesla's Model 3 requires 15 kg of cobalt per car. Assuming Tesla hits its production target of 500,000 units, an additional 7.5 million kg of cobalt will be consumed for one model for a minor car producer. That's roughly 7% of incremental global supply needed for only that one model.

The global market for cobalt is only 100,000 tons per year. That sounds like a lot, but realize that a freighter can take a 100,000 tons of iron ore in one load and ship it across the oceans to India for processing. The cobalt market is comparatively small, leaving it more exposed to kinks in the supply chain.

The car manufacturers understand that vertical integration in their cobalt supply chains will be vital to their success, just as in the rare earths industry. We have seen Volkswagen and BMW announce forays into the cobalt market to secure a long-term cobalt source for their vehicles. They are not content to rely on the Congo (source of 60% of the world's cobalt) or upon China who processes is more than half of the world's cobalt.

This is part of the thinking behind FocusEconomics' [latest cobalt projection](#), which is calling \$40,000 per tonne this year for cobalt and then \$50,000 in 2021.

We are finally seeing normalization start to play out in the global pricing for cobalt. After a punishing spiral, cobalt has had a 13% jump since March 15/19. While it's possible these are just zombies stumbling in the dark, we believe this is Life

returning to a once buried market.



Dan Blondal on Nano One's collaboration agreement with Pulead Technology

written by InvestorNews | April 15, 2019

Recently during [PDAC 2019](#), Dan Blondal, CEO, Director and Founder of [Nano One Materials Corp.](#) (TSXV: NNO), shared updates on Nano One's collaboration agreement with Pulead Technology

with InvestorIntel's Tracy Weslosky.

Dan Said: "We put a joint development agreement with Pulead in mid-January. They are a very prominent cathode producer in China supplying the lithium iron phosphate market and supplying the lithium cobalt oxide market as well. That's the materials that go into your iPhones. Very exciting company to be working with. Pulead is the world's largest producer of lithium iron phosphate. That's the material that goes into electric buses, lower range electric vehicles..."

Nano One Materials Corp. has developed patented technology for the low-cost production of high performance lithium ion battery cathode materials used in electric vehicles, energy storage and consumer electronics. The processing technology addresses fundamental supply chain constraints by enabling wider raw materials specifications for use in lithium ion batteries. The process can be configured for the full range of cathode materials and has the flexibility to shift with emerging and future battery market trends.

Nano One has built a pilot plant to demonstrate high volume production and to optimize its technology across a range of materials. The pilot plant is being funded with the assistance and support of the Government of Canada through Sustainable Development Technology Canada (SDTC) and the Automotive Supplier Innovation Program (ASIP) a program of Innovation, Science and Economic Development Canada (ISED).

To access the complete interview, [click here](#)

Disclaimer: Nano One Materials Corp. is an advertorial member of InvestorIntel Corp.

Peters on how gold plus copper with a drilling advantage equals a Pacific Empire

written by InvestorNews | April 15, 2019

Recently during [PDAC](#) 2019, Brad Peters, President, CEO and Director of [Pacific Empire Minerals Corp.](#) (TSXV: PEMC | OTCQB: PEMSF) shared Pacific Empire's competitive advantage with InvestorIntel's Tracy Weslosky.

Brad said: "Most importantly our competitive advantage is that we can drill. We drill early, we drill often, and we do it for roughly \$25-35 a meter. It took us a few months to get into that range but now that we are there, we are comfortable with that and we base our 2019 exploration season around the achievements we made in terms of productivity and efficiency in 2018. What we will be doing in 2019 is focusing on our Babine Copper-Gold Porphyry District projects which are four projects in Bulkley region. Totaling just over 17,000 hectares and in that area, we have a 100 day drill program initially planned for 2019."

Pacific Empire Minerals Corp. is an exploration company based in Vancouver, British Columbia, that employs a "hybrid prospect generator" business model and trades on the TSX Venture Exchange under the symbol PEMC and on the OTCQB Markets under the symbol PEMSF.

By integrating the project generator business model with low-cost reverse circulation drilling, the company intends to leverage its portfolio by identifying, and focusing on, the

highest quality projects for partnerships and advancement.

To access the complete interview, [click here](#)

Tom Meredith on the gold market and West Red Lake Gold's drill results

written by InvestorNews | April 15, 2019

"We trade based on the value of ounces in the ground. Right now, our market value is about \$10 an ounce in the ground and in strong market north of a \$100 an ounce in the ground. So, you will see a significant appreciation in our share price when capital flows into the sector." States Tom Meredith, Executive Chairman of [West Red Lake Gold Mines Inc.](#) (CSE: RLG | OTCQB: RLGMF), in an interview with InvestorIntel's Tracy Weslosky.

Tracy Weslosky: The Australians are buzzing about their gold bull market right now. What is happening in Canada? When should we start following suit in North America?

Tom Meredith: I believe it is really the function of the interest rate market. Better known as the bond market. When central banks stop raising rates and actually start pulling rates down, then that will draw money into gold because the bond market which is the biggest capital pool out there considers gold to be a triple A zero coupon bond. When interest rates go down, bonds go up. Which means gold will go up and that will draw money into the sector.

Tracy Weslosky: Any anticipation when the interest rates are going to drop?

Tom Meredith: Watch the Fed. They want to try and put another rate hike. Time will tell whether they will be able to do that or whether they will start dropping rates. We will know better this year.

Tracy Weslosky: The inevitable conclusion would be its time now to buy gold stocks

Tom Meredith: It's time to be watching them closely because the time is coming fairly soon I think.

Tracy Weslosky: Can you tell me a bit more why they should select West Red Lake Gold versus many of your competitors?

Tom Meredith: We trade based on the value of ounces in the ground. Right now, our market value is about \$10 an ounce in the ground and in strong market north of a \$100 an ounce in the ground. So, you will see a significant appreciation in our share price when capital flows into the sector...to access the complete interview, [click here](#)

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Glasier on Western Uranium &

Vanadium's processing technology and high-grade Sunday Mine

written by InvestorNews | April 15, 2019

"All of our assets are in North America. In Western United States. We have got the highest grade vanadium probably in the world. That is why we have got a competitive advantage. Grades are everything no matter what commodity you are in. If you have the grades you have the low cost. That's what we have certainly in vanadium. With Uranium we have got the technology which makes us the low cost producer. So again it's the issue of your grades and your technology that drive your cost to the lower percentage of your competitors." States George Glasier, President, CEO and Director of [Western Uranium & Vanadium Corp.](#) (CSE: WUC | OTCQX: WSTRF), in an interview with InvestorIntel's Tracy Weslosky.

Tracy Weslosky: You are one of the few stocks that actually made people money last year. Can you tell us what made Western Uranium & Vanadium different from many of your competitors?

George Glasier: Obviously it's our vanadium content. Vanadium was the hottest commodity last year. It went from \$10 to over \$30 and we have got a large high-grade vanadium resource. I credit most of it to the fact that we were in the right commodity at the right time.

Tracy Weslosky: Many of our readers have been following the Sunday Mine Complex. We are very excited about the progress towards production. Can you tell us what's happening?

George Glasier: We had an announcement late last year that we

are going to open the mine primarily to sample and sent samples to a number of vanadium customers. We are still on track to do that. The best time to open the mine is in the spring. We are working on that. I would say that within the next several months we will see the opening and the beginning of the process, first to sample and then to define the high-grade vanadium resource that was left, without mining the uranium.

Tracy Weslosky: Would you mind giving our audience kind of an overview about your competitiveness and include how you are based in North America.

George Glasier: All of our assets are in North America. In Western United States. We have got the highest grade vanadium probably in the world. That is why we have got a competitive advantage. Grades are everything no matter what commodity you are in. If you have the grades you have the low cost. That's what we have got certainly in vanadium. With Uranium we have the technology which makes us the low cost producer. So again it's the issue of your grades and your technology that drive your cost to the lower percentage of your competitors. That's where we are...to access the complete interview, [click here](#)

Disclaimer: Western Uranium & Vanadium Corp. is an advertorial member of InvestorIntel Corp.

Galane Gold's Nick Brodie on

gold production target updates for 2019

written by InvestorNews | April 15, 2019

"We have two assets. One is already in production. Last year we had best year since 2013, produced 36,000 ounces at all in sustaining cost of \$1,050, so cash positive. This year we have a new asset coming online in South Africa called Galaxy Gold and that will be in production next month. We are producing about 9,000 ounces from that this year, but we are ramping up and should be in full production at the end of the year, so next year about 26,000 ounces. We are targeting about 60,000 ounces for next year..." States Nick Brodie, CEO and Director of [Galane Gold Ltd.](#) (TSXV: GG), in an interview with InvestorIntel's Tracy Weslosky.

Tracy Weslosky: You did such a good job a few seconds ago telling me about your competitive advantages. Could you please share that with InvestorIntel audience please?

Nick Brodie: We have two assets. One is already in production. Last year we had best year since 2013, produced 36,000 ounces at all in sustaining cost of \$1,050, so cash positive. This year we have a new asset coming online in South Africa called Galaxy Gold and that will be in production next month. We are producing about 9,000 ounces from that this year, but we are ramping up and should be in full production at the end of the year, so next year about 26,000 ounces. We are targeting about 60,000 ounces for next year and a year after that we are looking at expanding again and hopefully be at 90,000 ounces producing in about three years time.

Tracy Weslosky: For all of you InvestorIntel audience members that made so money in cannabis last year, I am trying to get you

to diversify and look at gold. One of the things you want to look at are of course are the near producers because obviously if you do that successfully you generally have an uptick. Is that correct?

Nick Brodie: We are highly leveraged to gold. So, if you think you are gold bull, it is a great time to invest in us and top of that you have got the uptick of our organic growth of 90,000 ounces and we are already fully funded. So, there is no need to dilute or go to the market or anything like that to raise further funds...to access the complete interview, [click here](#).

Randy Hoback on the best mining jurisdiction in Canada – Saskatchewan.

written by InvestorNews | April 15, 2019

Recently during [PDAC](#) 2019, Randy Hoback, Member of Parliament for Prince Albert, Saskatchewan, shared why Saskatchewan is ranked high amongst mining jurisdictions with InvestorIntel's Peter Clausi.

Randy said: "Mining companies have recognized that if they do a project in Saskatchewan they can go through the entire process and actually get to the point of building a mine. There are regulatory things that they have to do, but we have seen companies like BHP Billiton just do the Jansen Project, you see the potash mines, uranium mines and here are examples where they have actually explored, done the work and now they are actually

physically running mines. The First Nations are very excited about the mining sector. They do not view it as a negative thing and they actively participate in the mining sector.”

To access the complete interview, [click here](#)

Kirill Klip on TNR Gold's shotgun gold project in Alaska

written by InvestorNews | April 15, 2019

Recently during [PDAC](#) 2019, Kirill Klip, President and CEO of [TNR Gold Corp.](#) (TSXV: TNR), shared update on TNR Gold's Shotgun Gold Project in Alaska with InvestorIntel's Peter Clausi.

Kirill said: “We developed inferred resource of just under 800,000 ounces of gold. The cutoff grade is 0.5 grams per ton, but we are very excited because we have intersections as good as over 20 meters over 2.5 grams per ton. The most exciting of course are intersections over 200 meters over 1 gram per ton. So we are talking about very big, potentially porphyry system very similar in geological signature to Donlin Gold.”

TNR Gold Corp. is working to become the green energy metals royalty company. Over the past twenty-three years, TNR, through its lead generator business model, has been successful in generating high-quality exploration projects around the globe. With the Company's expertise, resources and industry network, it identified the potential of the Los Azules copper project in Argentina and now holds a 0.36% NSR royalty on the entire project, which is being developed by McEwen Mining Inc.

To access the complete interview, [click here](#)

To access Shotgun Gold Project, Alaska Presentation, [click here](#)

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Northern Minerals' George Bauk on being the only producer of heavy rare earths outside of China

written by InvestorNews | April 15, 2019

"We started back in 2010, a greenfield discovery, and in December of last year we put out our first product. Shipped mixed rare earth carbonate out of our Browns Range Project in Western Australia. So a long journey but a rewarding one..." States George Bauk, Managing Director and CEO of [Northern Minerals Limited](#) (ASX: NTU), in an interview with InvestorIntel's Tracy Weslosky.

Tracy Weslosky: Would you like to give a bit of an overview on what Northern Minerals is in this market place?

George Bauk: We started back in 2010, a greenfield discovery, and in December of last year we put out our first product. Shipped mixed rare earth carbonate out of our Browns Range Project in Western Australia. So a long journey but a rewarding one. Hopefully we will see some changes in process going

forward.

Tracy Weslosky: Many of you might not be aware of the fact that there is no other heavy rare earth producers outside of China besides Lynas. Is that correct? And now its you.

George Bauk: Lynas being light and ours being heavy, so absolutely yes. If you think about it Western Australia is the only mining jurisdiction for rare earths at the present moment outside of China.....to access the complete interview, [click here.](#)

Michael Schuss on Canadian Energy's 'exceptional cobalt numbers'

written by InvestorNews | April 15, 2019

Recently during [PDAC](#) 2019, Michael Schuss, President and CEO of [Canadian Energy Materials Corp.](#) (TSXV: CHEM), shared updates on Canadian Energy Materials' Copper-Nickel-Cobalt project in New Brunswick, Canada with InvestorIntel's Tracy Weslosky.

Michael said: "We have got a project in New Brunswick. It as a former Noranda project. It had exceptional cobalt numbers. I have looked at thousands of cobalt projects all over the world. When I saw this, the numbers were so good...I confirmed it with the ex-Noranda guys and looked at all the old data and I said I got to get this."

Canadian Energy Materials Corp. is a mineral exploration and development company focused on the acquisition and development

of a portfolio of high quality energy metals and materials projects around the world.

To access the complete interview, [click here](#)

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