

# Glencore commits \$45 million to restart First Cobalt refinery in Canada

Cecilia Jamasmie | August 26, 2019 | 10:13 am [Battery Metals Canada](#) [Cobalt](#)



The refinery is located in Ontario, Canada, approximately 600 km from the US border, accessible by road or rail. Image courtesy of First Cobalt Corp.

Mining and commodities trader giant Glencore (LON:GLEN) is lending Canada's First Cobalt Corp. (TSX-V:FCC) an initial \$5 million to restart the company's refinery in Ontario, which would become the only North American producer of refined cobalt for the electric vehicle (EV) market.

Glencore said that once a definitive feasibility study for a planned expansion is completed, which is expected to happen in early 2020, it would invest another \$40 million into recommissioning and expanding the refinery, located 600 km from the US border.

The facility has the potential to produce either a cobalt sulfate for the lithium-ion battery market or cobalt metal for the North American industrial and military applications.

Based on a study carried out by Ausenco Engineering Canada, if the First Cobalt refinery operated at 55 tpd, it could produce 5,000 tonnes a year of contained cobalt in sulfate, assuming cobalt hydroxide feed grading 30% cobalt.

The companies are targeting first production late next year, with the planned expansion completed in 2021.

Prices for the battery metal have soared more than 30% since Glencore announced this month it would close its Mutanda mine in the Democratic Republic of Congo, the world's largest cobalt mine, offering hope for a sector whose shares have been hit by fears over a global recession.

Oversupply and stockpiling by companies in the battery supply chain, however, had caused the metal fall to \$12 a pound. In April last year, cobalt was selling for \$44 a pound, its highest level in a decade.

**ONCE OPERATIONAL, THE FACILITY WILL BE NORTH AMERICA'S ONLY PRODUCER OF REFINED COBALT FOR THE EV MARKET**

63 3652 0

Share    