



First Cobalt signs supply deal with Glencore, has tentative agreement with China Moly as it sources metal for new refinery

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Canada's First Cobalt Corp said on Tuesday it signed a deal with Glencore and has agreed on a tentative pact with a unit of China Molybdenum Ltd for cobalt supplies from the Democratic Republic of the Congo.

The agreements come after First Cobalt last month secured \$10 million in government loans and grants to accelerate startup and expansion of North America's first cobalt refinery in Ontario.

The DRC is the world's top producer of cobalt, a crucial ingredient for the lithium-ion batteries that underpin the fast-growing electric vehicle sector.



Toronto-based First Cobalt said it will source cobalt hydroxide at prevailing market prices from Glencore's Kamoto Copper Co operation for five years starting in the fourth quarter of 2022.

The Canadian company also said it aims to complete a definitive contract with China Moly subsidiary IXM SA for cobalt from CMOC's massive Tenke Fungurume mining operation in the DRC over the same time period.

It was not immediately clear how much supply would come from each mine; First Cobalt did not disclose specific figures.

The agreements represent 90 per cent of the Canadian plant's projected capacity, yielding 22,250 tonnes per year of battery-grade cobalt sulphate, the company said.

Construction at the \$77 million plant, about 600 kilometers from the U.S. border, is slated to start in mid-2021, the company said.

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