

Global Energy Metals working to develop a domestic American critical battery metals' supply chain

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2021 is a landmark year for electric vehicles (EVs). Sales of EVs are on track to double 2020 levels and reach [about 6 million+](#) (up from 3.1 million in 2020), around 7% market share. Electric car sales could potentially increase as much as 10x this decade (limited only by critical EV metals availability), meaning we are still only at the beginning of the EV boom. Just last month, in September, China's electric car sales reached [355,000, or 20% market share](#), with YoY sales up 2.7x. Europe has been achieving an even higher market share with recent results at [22% share](#).

Surging EV demand is leading to very strong demand for the critical EV/battery metals, causing a dramatic price increase for those critical EV metals, most notably, for lithium, where prices have risen from lows of ~US\$7,000/t to ~US\$26,000/t ([US\\$26/kg](#)) in 2021.

Looking ahead this decade forecasts for critical EV metals demand give a guide of what may be yet to come. The Bloomberg forecast below is based 'only' on the increase in 'battery demand', not the overall market demand.

BloombergNEF demand forecasts 2018 to 2030 for battery metals



Source: [GEMC courtesy BloombergNEF](#)

When looking at overall market demand for the critical EV metals, those with the smallest market have by far the biggest impact, such as cobalt and lithium. For example, the [UBS forecast](#) sees “lithium demand to lift 11-fold from ~400kt in 2021 through to 2030”, which is in line with my own 10x forecast. Many forecasts are for about a 2-3x increase in cobalt demand this decade.

The [2021 International Energy Agency \(“IEA”\) forecast](#) is for a 6x to 21x increase in cobalt demand from 2020 to 2040. For nickel the IEA forecast is a 7x to 19x increase and for copper a 2x to 3x, from 2020 to 2040.

With all this potential critical EV metals demand ahead, investors are searching for well-valued EV critical metals’ miners for exposure to critical EV metals and ideally in a safe jurisdiction.

One standout junior miner has a pipeline of 6 EV critical metal projects (including a royalty deal not yet completed), all located in safe countries.

The company is [Global Energy Metals Corporation](#) (TSXV: GEMC | OTCQB: GBLEF) (“GEMC”). GEMC has a total of 6 combined battery and precious metals projects (subject to deals finalizing) in Australia, the USA, Canada, and Norway; covering cobalt, copper, nickel, PGMs, silver and gold. GEMC works as a project generator and works with some JV project partners.

GEMC’s pipeline of projects in safe jurisdictions



Source: [GEMC company presentation](#)

Note: [Recent drill results](#), as reported by project JV partner (earn-in up to 80%), Metal Bank Limited, at its Millennium

Cobalt Project in Australia, have identified significant shallow oxide copper intercepts as sulphides to 1.5%.

I discussed these 6 projects [in a previous article](#), so today I will touch on some of GEMC's other related investments and collaborations.

GEMC collaboration with American Battery Technology Company ("ABTC") (name change in process from American Battery Metals Corp.)

ABTC is an American-owned lithium-ion battery recycling technology and advanced battery metal extraction company with mineral resources in Nevada. **GEMC has a collaboration with ABTC to develop solutions to manufacture nickel and cobalt battery metals domestically** in addition to its existing work on domestic lithium product manufacturing. On October 18, GEMC [announced](#) that drilling has commenced at the Lovelock Cobalt-Nickel-Copper project in Nevada, USA. GEMC recently supplied raw material from its Lovelock and Treasure Box projects in Nevada for ABTC's to use in its in-house procedures of developing new, first-of-kind processes, for producing battery cathode grade nickel and cobalt metal products.

Tesla's gigafactory is in Nevada, so that the above collaboration is very well located. It is essentially on Tesla's doorstep.

President & CEO of Global Energy Metals Corp., Mitchell Smith, [stated](#):

"The combination of ABTC's leading-edge extraction technology development processes with Global Energy's portfolio of nickel and cobalt projects creates mutually beneficial opportunities that could bolster and secure a much needed supply of minerals deemed "critical" by the Canadian and US governments."

ABTC's CEO and CTO, Ryan Melsert, [stated](#):

"Our partnership between American Battery Technology Company and Global Energy Metals Corporation represents a complementary and actionable effort towards establishing a North American supply of critical and strategic materials that will fuel the global transition towards an electrified and domestic closed-loop circular economy."

GEMC's Råna Project 1% NSR royalty in Norway

GEMC recently [signed a Letter of Intent \("LOI"\)](#) to purchase a 1% NSR, Net Smelter Royalty, on the Råna (Nickel) Project. The LOI is between Electric Royalties Ltd. and Scandinavian Resource Holdings to create a new 1% Net Smelter Royalty ("NSR") on four exploration licenses totaling 25 square kilometers in the Råna mafic-ultramafic intrusion in Northern Norway, and it includes the past producing Bruvann Nickel mine (the "Råna Project").

The Råna Project is a drill-ready, low CapEx, Class-1 nickel sulphide project with strong exploration upside. Global Energy Metals intends to work alongside the Vendor, to attract strategic partners to fund project development at the Råna Nickel Project while leveraging its interest to create shareholder value through exploration success.

If the Project is successfully brought into production then GEMC potentially stands to earn a nice 1% NSR revenue stream.

GEMC's 3 pillar growth strategy – Acquisitions, exploration & development, peer collaboration



Source: [GEMC company presentation](#)

Closing remarks

GEMC has 6 EV metal related projects with a focus on cobalt, copper and nickel. GEMC is also now collaborating with ABTC to help build a U.S battery metals supply chain, initially using ore from GEMC's Lovelock and Treasure Box projects in Nevada, and drilling at Lovelock is currently underway.

GEMC trades on a super low market cap of C\$6.7 million. Stay tuned.

Disclosure: The author is long Global Energy Metals Corporation (TSXV: GEMC).