

With the goal to become a leading graphite supplier, Gratomic is hoping good fortune favors the bold

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Sometimes it's interesting to see a company take a slightly different approach to getting things done. In the mining world, it seems like the playbook says to stake some land, prospect, do some drilling, start to establish a resource, drill some more, come up with a reserve estimate and then start moving forward with a Preliminary Economic Analysis (PEA) or Preliminary Feasibility Study (PFS), then eventually to a Feasibility Study (FS). At that point, you can start the decision making process whether or not to go ahead and build a mine.

But what if you were pretty sure you had at least some mineable product and said what the heck, let's just start processing what's available and roll the dice that there is a lot more where that came from. Perhaps a little (or a lot) risky, but it certainly gets you to self sustaining cash flow a lot quicker. And if you are right, in that there does end up being a lot more where that came from, you are likely now years ahead of a competitor who went down a more conventional path. Again, this isn't the normal strategic path for a reason but sometimes fortune favors the bold.

So who might that bold company be? [Gratomic Inc.](#) (TSXV: GRAT | OTCQX: CBULF), a multinational company with projects in Namibia, Brazil, and Canada. The Company aims to become a leading graphite supplier and to secure a strong position in the electric vehicle battery supply chain through the development of

its flagship [Aukam Graphite mine](#) and ongoing exploration at the [Capim Grosso property](#).

Of course, my intro might be a little dramatic. It's not like Gratomic simply stumbled across a graphite vein and went thundering down the path of building a processing facility. The Aukam Graphite Project, located in southern Namibia close to the port city of Luderitz, already hosted five underground adits which were mined periodically between 1940 and 1974. Five surface stockpiles from the historical mining occurred on the property and 73 composite samples were taken from the lower three stockpiles, assayed and averaged 42% Carbon as graphite (Cg). Gratomic has also undertaken a few thousand meters of exploratory drilling of its own to get a better understanding of what is there.

However, the Company goes to great pains in its communications (press releases, quarterly reports) to emphasize that no PEA, PFS, or FS has been completed to support any level of production. In fact, no mineral resources let alone mineral reserves demonstrating economic viability and technical feasibility, have been delineated on the Aukam property. But that hasn't stopped them from constructing and operating an initial pilot facility in 2018. With the critical operating data gathered from the pilot, Gratomic has now built a state-of-the-art custom designed production facility that is currently at the operational readiness stage. Commercial production is anticipated from Aukam sometime in August.

This begs the question, how can you commercially produce graphite in two months without a resource or even an estimated reserve. Gratomic takes quiet comfort from the fact that [on September 20, 2022](#) the Aukam mining team began extracting graphite from a newly discovered graphite vein, unearthing more than 150 tonnes of graphite in one working shift and breaking

the record of graphite extracted at Aukam in a single day. By mid-October, its [bench-mining program](#) had extracted a cumulative total of 2,600 tonnes of graphite. Armed with data points like this, the Company is looking to steadily ramp up production at Aukam to 22,000 tonnes per year of graphite production.

It's definitely not your traditional approach to building out a mining company. Committing to the expenditure of capital on a processing facility without having any sort of official reserve life or mine life is unconventional to say the least. But then again, the common way isn't always the right way. Time will tell if Gratomic got it right.

Gratomic Inc. trades at a market cap of C\$56 million.