

# Pacific Rim Cobalt Corp.

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## Pacific Rim Cobalt in the hunt for energy metals with one prized Indonesian asset

Energy storage is a technology crucial to our future, and for good reason. Affordable storage is "the missing link" between intermittent renewable power, such as solar and wind, and 24/7 reliability, according to McKinsey and Company.

Ranjeet Sundher, Chief Executive Officer of Pacific Rim Cobalt (CNSX:BOLT; OTCMKTS:PCRCF), which is developing a cobalt asset in Indonesia, says a major form of energy storage includes lithium-ion batteries, and one of the metals they rely on heavily is cobalt.

"Global demand for renewable power is fueling a massive shift from traditional energy supply chain economics, and the most widely used power source for portable applications is cobalt-reliant lithium-ion batteries," said Sundher.

"Pacific Rim leverages the global shift to renewable energy and the electric vehicle revolution by capitalizing on two elements: cobalt and nickel. Cobalt and nickel are both essential to lithium-ion batteries."

The mining industry veteran says lithium-ion batteries containing cobalt can be used to smooth the flow of power. They can be integrated into electricity systems so that if a main source of power fails, it provides a backup, improving reliability.

Despite Tesla Chief Executive Elon Musk tweeting in July that he wants cobalt out of his next-generation batteries, cutting the base metal can create safety and performance issues. For now, the supremacy of cobalt in the growing electric car market is unassailable.

"Cobalt is necessary for any lithium-ion battery with a high energy density. Essentially, any high-performance battery requires cobalt. As most of these batteries are for vehicles and phones, performance is a necessity. Therefore, you cannot get rid of cobalt," said Sundher.

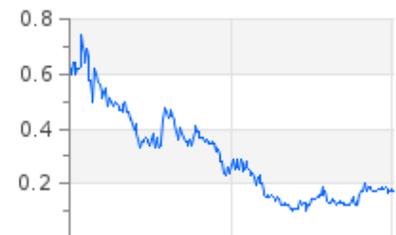
Sundher, who previously founded Indogold Exploration, a Jakarta-based mining service firm, is creating a carpe diem moment for Pacific Rim Cobalt by developing a cobalt and nickel asset in Indonesia. The Cyclops Cobalt-Nickel Project, recently renamed for its proximity to the Cyclops mountain range, is situated on the north coast of Papua Province. The project covers 5,000 hectares with nine prospects, five of them drill-tested with known cobalt-nickel mineralization.

Nearly 66% of the world's cobalt comes from the Democratic Republic of the Congo, a country torn by a long-running civil war. This turmoil means that mining cobalt is often dangerous and subject to supply disruptions that can result in spiraling prices. Some companies call the cobalt mined in the Congo the "blood diamond of batteries" owing to harsh mining conditions and use of child labour.

**Price:** C\$0.17

**Market Cap:** C\$8.83M

### 1 Year Share Price Graph



February 2018 August 2018 February 2019

### Share Information

**Code:** BOLT

**Listing:** CSE

**52 week High Low**  
C\$0.77 C\$0.10

**Sector:** General Mining - Cobalt

**Website:** pacificrimcobalt.com

### Company Synopsis:

*Pacific Rim Cobalt Corp. is an exploration company focused on the development of cobalt projects ideally located close to China, the world's first & largest "Gigafactory." Cobalt is a critical component of lithium-ion batteries and is currently in a global supply deficit.*

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In contrast, Pacific Rim Cobalt's Cyclops Project has excellent logistics and infrastructure. Located 15 kilometres from the Sentani Airport, the project's tidewater location offers strategic access to China, the largest battery metals market in the world.

"We have a solid growth story in the right place," said Sundher. "We are developing our flagship cobalt asset in Indonesia. We were fortunate to pick an asset that already had a tremendous amount of work done on it - making it much easier to leverage. There have been over 850 drill holes done on our property, which allows us to talk to potential offtake partners much earlier than we normally would."

The Canadian company has a production permit, environmental permit and sealed road access 12 months of the year to the project. "This means we can work on development without any seasonal delays," said Sundher. "We are currently beginning to drill 150 holes totaling 5,000 metres on our Cyclops Project and aim to make our historic estimate of 37 million metric tons at 0.11% cobalt compliant."

The goal of the program is to establish a maiden compliant resource on the project as well as to identify target locations for extraction of mini bulk samples required for metallurgical and process testing.

With a historic estimate of 37 million metric tons grading 0.11% cobalt and 1.31% nickel at a 0.8% nickel cut-off grade, Cyclops contains significant cobalt and nickel mineralization as well as excellent infrastructure for year-round development activities.

Sundher makes clear that China is a focus of the company's strategy for eventual supply. "A key factor and strength of our development going forward is our proximity to China. Indonesia faces China. China is a big investor into Indonesia and they are a big consumer of cobalt," said Sundher.

Indeed, China's fast-growing battery industry accounts for 80% of cobalt usage. Beijing is locking down supply chains and gobbling up as much cobalt as it can.

Pacific Rim Cobalt has signed a preliminary offtake agreement with Beijing Easpring Material Technology Co. to purchase nickel sulphate and cobalt sulphate from the Cyclops project for five years from the start of commercial production.

"This is a major milestone for us. Beijing Easpring supplies five of the world's top six battery manufacturers. They are incredibly sophisticated and dedicated to the electric revolution. Our business model is China-facing," said Sundher.

It's no secret that global battery makers have been searching for ways to reduce cobalt in their batteries to cut costs. Next year, China's largest lithium-ion battery maker, Contemporary Amperex Technology Ltd., plans to begin producing next-generation nickel-rich batteries, called NCM 811, which are cheaper to make and have longer lifespans.

Pacific Rim Cobalt is positioned to roll with these changes in battery composition, though, as it has both cobalt and nickel in its arsenal.

"The NCM 811 chemistry does reduce the amount of cobalt, but it replaces it with nickel. We are a cobalt and nickel company, so the switch does not affect us as much as other companies," said Sundher.

"Our preliminary offtake partner, Beijing Easpring, is one of the leaders of 811 chemistry, and it is not anticipated to be the leading battery chemistry for a number of years," said Sundher.

"It's Day 1 in our company and I firmly believe that any investor who is interested in cobalt and understands the cobalt supply chain should have a close look at what we are doing."

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