

EVELUTION ENERGY AND GLENCORE SIGN A LETTER OF INTENT TO SUPPLY EVELUTION'S U.S. COBALT PROCESSING FACILITY

YUMA, ARIZONA, USA, April 2, 2024

[/EINPresswire.com/](#) -- [Glencore](#), one of the world's largest global diversified natural resource companies and one of the world's largest producers of cobalt, and [Evelution Energy](#), a U.S. EV battery materials processing company, have signed a Letter of Intent (LOI) to support the development of Evelution's cobalt processing facility in the United States.



Evelution Energy Logo

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We are very pleased that Glencore is interested in becoming one of our major feedstock suppliers. This agreement is an important step in the creation of a domestic EV battery material supply chain.”
Navaid Alam, President & CEO

Cobalt sulfate is a critical material for EV batteries and is crucial to America's initiative to electrify the nation's automotive fleet and transition to a net-zero economy.

Currently there are no commercial-scale cobalt processing facilities in the U.S., with more than 70% of the world's cobalt sulfate being produced in China. Evelution Energy is building the first solar-powered cobalt processing facility in the United States, in Yuma County, Arizona. When fully operational in 2027, Evelution Energy's facility is expected to be able to supply 20%-40% of estimated US cobalt sulfate demand.

Under the LOI, Glencore and Evelution are finalizing the terms of a long-term supply agreement for Evelution's remaining cobalt hydroxide feedstock requirements, up to 7,000 metric tons of contained cobalt per year, with the potential to further increase supply should Evelution's cobalt production facility expand.

Under the LOI, Glencore and Evelution have also agreed to discuss the potential offtake of up to the full production of cobalt sulfate from this facility, as well as hedging and working capital solutions for the facility.

“We are very pleased that Glencore is interested in becoming one of our major feedstock suppliers,” said EVelocity Energy President Navaid Alam. “This agreement represents a significant milestone for our company and is an important step in the creation of a domestic EV battery material supply chain.”

“We look forward to collaborating with EVelocity, and providing the critical raw materials required from our leading cobalt hydroxide production facilities in the DRC” Said Ash Lazenby, US Cobalt Marketing at Glencore.



EVelocity Energy - Cobalt Processing Facility - Aerial View 1 - Yuma County Arizona

EVelocity Energy's solar-powered cobalt processing plant will create U.S. manufacturing jobs, reduce the U.S.'s reliance on other countries for EV battery materials, help combat climate change, and provide a domestic source for one of the critical metals needed by the U.S. automotive, aerospace and defense industries.

Construction of the facility is intended to start in 2024 with commissioning expected by the end of 2026. The facility will not only generate its own power, but also deliver surplus clean electricity to nearby farmers while recycling approximately 70% of the water it uses, which will minimize its impact on the surrounding environment.

--ENDS--

Need an interview or further information? Please contact EVelocity Energy's Press Office at: media@evelocityenergy.com

About EVelocity Energy:

EVelocity Energy LLC is developing the first solar- powered commercial-scale facility to supply some of the critical minerals that the U.S. electric vehicle, aerospace and defense industries need today. Our solar powered cobalt sulfate and cobalt metal processing plants will be built in a rural economically-disadvantaged “qualified opportunity zone,” in Yuma County, Arizona. The Opportunity Zone Program was established by the U.S. Tax Cuts and Jobs Act of 2017 and provides major tax incentives for investors in U.S. companies, like EVelocity Energy, that invest in these economically distressed communities.

Our leadership team of experienced international infrastructure experts is committed to providing the secure domestic supply chain of IRA qualified, responsibly sourced, critical

minerals that U.S. electric vehicle, aerospace and defense manufacturers need to move forward with confidence.

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