

American Manganese Inc.

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American Manganese is advancing its breakthrough recycling process to create high value battery cathode materials

- Extracting high-purity cathode materials from lithium-ion batteries to sell to electric vehicle manufacturers
- Patent-protected recycling process
- Clear path to commercialization of technology

American Manganese Inc (CVE:AMY) is blazing a trail in the recovery of metals from scrap cathode material rejected by battery manufacturers.

The critical metals company is focused on recycling electric-vehicle lithium-ion batteries. Due to the rapid development and commercialization of EVs, the demand for lithium-ion batteries is growing exponentially and the raw materials supply is struggling to keep up.

Lithium, cobalt, manganese, nickel, and aluminum are all used as feedstock for battery production.

The recoverable value for these metals is estimated to be as high as US\$75.8M per gigawatt of lithium cobalt batteries, according to American Manganese data.

Electric-vehicle manufacturer Tesla Inc (NASDAQ:TSLA) recently announced that it is looking to "close the loop" on battery production by using recycled materials at its Gigafactory in Nevada, and Swedish competitor Northvolt is planning to build environmentally friendly batteries by incorporating a recycling facility.

The Surrey, BC-based company recently marked a significant milestone after being awarded a patent for its lithium-ion battery cathode material recycling technology.

RecycLiCo represents a breakthrough in the recycling of lithium-ion batteries by providing high extraction of cathode materials such as lithium, cobalt, nickel and manganese at battery-grade purity. The process involves minimal steps, ensuring a high-grade, low-cost output.

American Manganese estimates that it will see an annual profit of US\$8.4 million and a 47% margin once the process is commercialized.

The technology is currently being tested on a pilot plant scale, with recent results from the pilot plant showing high extraction rates.

Upon completion of the process, American Manganese plans to commercialize its operation with a joint venture partner or through licensing agreements, which the junior company estimates could yield over US\$8 million in annual profit at a 47% margin.

Inflection Points

Price: C\$0.14

Market Cap: C\$24.56M

1 Year Share Price Graph



Share Information

Code: AMY

Listing: TSX-V

52 week High Low
C\$0.24 C\$0.13

Sector: Tech

Website:
www.americanmanganeseinc.com

Company Synopsis:

American Manganese Inc. (AMY) is a critical metals company with a patent pending hydrometallurgical process for recovering cathode metals in lithium-ion batteries such as cobalt, lithium, nickel, manganese, and aluminum.

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

The pilot plant construction and testing is projected to conclude by May 2019. The plant will replicate real world closed-circuit conditions in a continuous operation to simulate and de-risk production of the commercial plant in the next phase of operation.

In December 2018 American Manganese partnered with Battery Safety Solutions BV, a Dutch company, to construct a commercial plant for spent and damaged batteries. Construction is expected to be completed by late 2019.

The next step is building a 1,100 tons per year commercial plant to process scrap cathode material. According to American Manganese, the estimated revenue generated during the operation of the commercial plant would pay back the initial capital investment in a little over a year.

American Manganese is hoping to find a joint venture partner to help fund the construction of the facility, which is estimated to cost around US\$10 million to build.

What the CEO says

In a recent interview with Proactive, CEO Larry Reaugh talked about the interest that the technology is generating from the wider battery metals market.

"This is a breakthrough technology that no one has," he told Proactive. "It's an exciting time for the company because now we're starting to see all of our hard work and millions of dollars spent starting to formulate into a completed pilot test. The next step is commercialization."

According to Reaugh, supplying the processing plant with scrap material is not an issue. "A lot of people ask us where our supply is coming from," he said. "The truth is, we turn down more supply than you can believe because it comes in the form of a battery and we don't have a safe place to put surplus batteries, but there seems to be a plentiful supply out there."

The granting of a patent for American Manganese's technology was a critical step for the junior company, said Reaugh. "We're starting to get the credibility that the company needed as a junior developing a patent."

Contact Angela at angela@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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