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## Terrafame Ltd. plans nickel and cobalt chemicals production for battery applications

Multi-metal company Terrafame Ltd. is planning to invest in nickel and cobalt chemicals production for use in battery applications. The background for the investment is the fast growing demand for battery applications used in electric vehicles.

Today, less than 2% of new cars sold globally are electric or hybrid vehicles, but their market share is increasing rapidly. Already by 2030, about 25% of new cars worldwide are estimated to be electric or hybrid vehicles. In addition, the share of nickel in battery applications is growing substantially. This would correspond to 400,000 tonnes of additional nickel demand for battery applications annually as of 2030.

“The availability of nickel and cobalt is critical for the electric vehicles market to continue developing. As a producer of these metals, Terrafame is aiming to take a leading role in supplying battery manufacturers with high-quality chemicals to be used in this end-use segment,” says **Joni Lukkaroinen**, CEO of Terrafame Ltd.

After completing a feasibility study on battery chemicals production, Terrafame is proceeding to detailed planning and aiming at making the investment decision during the first half of 2018 and starting up the new plant in 2020. The new production plant under consideration would have a capacity of approximately 150,000 tonnes of nickel sulphate and approximately 5,000 tonnes of cobalt sulphate per year. This would make Terrafame one of the largest nickel sulphate producers globally. To support the investment plan, the company has already concluded an agreement with Galena Asset Management S.A. and Trafigura Group Ltd. and as well as Sampo plc on a private financing package totalling USD 200 million.

“In the past two years, Terrafame has successfully ramped up its production and commercial operations. We have also established a position as a reputable market player, and our capability to deliver is widely recognized. The bioleaching-based production we use will provide our customers with battery chemicals with a low-carbon footprint. Next, we are looking forward to creating the shortest possible as well as sustainable supply chain for the battery manufacturing customers in cooperation with Trafigura’s global marketing organisation,” comments **Janne Palosaari**, Chief Commercial Officer of Terrafame.

Today, Terrafame is producing nickel, cobalt and zinc at its mine and metals production plant in Sotkamo, Finland and is in the process of commercializing copper production. At the end of October, the company applied the Finnish government for a permit to recover uranium. In case the government grants the permit, the uranium recovery will commence by the end of 2019.



**Further information:**

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Terrafame Ltd. is a Finnish multi-metal company producing nickel, zinc and cobalt at its mine and metals production plant located in Sotkamo, Finland. Our aim is to conduct environmentally sustainable, safe and profitable operations.