

Global Atomic Announces Q3 2021 Results

11.11.2021 | [CNW](#)

Dasa Uranium Project Feasibility Study Nears Completion

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Stronger Uranium and Zinc Prices Improve Outlook

All monetary amounts are in Canadian dollars unless otherwise indicated.

TORONTO, Nov. 11, 2021 - [Global Atomic Corp.](#) ("Global Atomic" or the "Company") (TSX: GLO) (OTCQX: GLATF) (FRANKFURT: G12) announced today its operating and financial results for the three and nine months ended September 30, 2021.

HIGHLIGHTS

Dasa Phase 1 Uranium Project in the Republic of Niger

- The Company's Feasibility Study is near completion and will be released in November.
- The Company's financial adviser has received initial interest from project finance institutions and negotiations are expected to escalate upon the release of the Feasibility Study.
- The Company and Fuel Link Ltd., have initiated Yellowcake offtake discussions with Utilities and presented the Dasa Project's expected development timelines and production schedule.
- In August, the Republic of Niger confirmed it will limit its interest in the Dasa Project to the statutory 10% minimum ownership stake in the Company's Niger mining subsidiary.
- The Company is advancing negotiations with Orano Mining ("Orano") relating to Direct Shipping Ore ("DSO").
- The Company began the 15,000 meter Dasa drill program in September 2021 as planned, with a focus on upgrading the Dasa resources located on strike of the Phase 1 Flank Zone mining area to the Measured and Indicated categories and confirming mineralization on strike.
- The Company also began a drill program at the Isakanan deposit on the Adrar Emoies 4 permit to recover core for geochemical and leach testing.

Turkish Zinc Joint Venture

- The Company's share of Turkish Zinc Joint Venture ("Turkish Zinc JV") EBITDA was \$3.1 million in Q3 2021 compared to \$1.2 million in Q3 2020, reflecting higher zinc prices and production levels in 2021.
- Through Q3 2021 the Company's share of Turkish Zinc JV EBITDA was \$8.9 million compared to \$2.9 million in 2020.
- The Company's share of Turkish Zinc JV Net Income for Q3 2021 was \$2.1 million compared to a loss of \$1.4 million in 2020. For the 9 months ended September 30, 2021, the Company's share of Turkish Zinc JV Net Income was \$3.0 million compared to a loss of \$3.0 million in 2020.
- For the 9 months ended September 30, 2021, the Turkish Zinc JV processed 53,012 tonnes EAFD (2020 - 51,290 tonnes) and shipped 28.1 million pounds zinc contained in concentrates (2020 - 30.6 million pounds).
- Shipments of zinc concentrate from the Turkish Zinc JV to smelters continued unabated in Q3 2021 despite energy price increases and shutdowns at some smelters.
- Cash balance for the Turkish Zinc JV at September 30, 2021 was US \$4.0 million.
- The non-recourse Turkish Zinc JV debt owing to Befesa was reduced to US \$5.65 million at September 30, 2021 (2020 - US \$6.42 million) and on schedule to be fully repaid by year end.

Corporate

- Cash balance at September 30, 2021 was \$7.6 million.

Stephen G. Roman, President and CEO commented, "We are entering a new era of clean, sustainable electric energy production and we are excited to be a part of it."

uranium will play an important role in meeting the world's carbon emissions targets. We are fortunate to have advanced the Iskanran Project to completion of the Feasibility Study through some difficult years and are now rewarding our shareholders with a world-class project fully permitted and ready to build. The Uranium market fundamentals have improved substantially and many countries are now adopting the benefits of baseload nuclear power with China leading the charge with the recent announcement of the Hualongshan reactor builds over the next 15 years."

"The zinc price rise over the past year has also been impressive and contributed to a rapid payback of development costs at the Iskanran Project which remains on track for the year end payout of the Befesa loan."

"The Dasa Project is progressing on several fronts. As we complete the Feasibility Study to build the mine and processing plant, we have also initiated activity at the Dasa Project site. A local Niger contractor has been engaged to begin Box-Cut excavation in January. Once completed, CMAC-Thyssen, a Canadian mine contractor based in Val d'Or, Quebec, will collar the portal and begin underground mine development. Equipment for these work programs has been secured."

"Our in-fill drilling program is currently underway to upgrade on strike resources and add additional potential to the Phosphate Zone mining area. At our Isakanan deposit, core samples are now being recovered through additional drilling in order to determine the deposit's porosity and permeability for In-Situ leaching."

"Global Atomic has been very active over Q3, and our pace will continue as we remain on track for deliveries of first Year 1 production in January, 2025."

OUTLOOK

Dasa Uranium Project

- The Feasibility Study results will be announced in November.
- The Company will complete the incorporation of the Niger mining company and issue 10% of the common shares to the Government of the Republic of Niger.
- The Company has engaged a Niger contractor to begin the mine Box-Cut excavation in January 2022.
- CMAC-Thyssen International ("CMAC") has been selected as the contract miner for the Dasa mine development. Discussions are being finalised.
- CMAC is planning to mobilize to site in March 2022 and begin ramp development in April, 2022. CMAC will provide mining services for the first 2 years, after which the Company plans to transition to owner-operated mining.
- The Dasa mineral resource will be updated in 2022 to include results from the current drill program, enabling design of the Dasa Phase 2 Mining Area with economics that are expected to increase the current Dasa Project NPV/IRR. The Flank Zone area encompasses only 20% of the current Dasa resource.
- The Company is continuing discussions with Orano Mining for the processing of DSO at the Somaïr facility and commencing shipments in 2023.
- Upon completion of the Feasibility Study, the Company will enter discussions to select an Engineering, Procurement, Construction and Management ("EPCM") contractor.
- Initial project debt financing discussions have begun and financing for the mill construction is expected to be in place by Q4 2021.
- The Company will advance ramping and underground development in 2022 with plant construction beginning Q1 2022.
- The Dasa Uranium Plant is expected to commence commercial production in Q4 2024.

Turkish Zinc Joint Venture

- The Turkish Zinc JV plant is expected to process approximately 70,000 tonnes EAFD in 2021.
- Zinc prices staged a strong recovery in 2021, averaging US \$1.36/pound in Q3 2021, and are expected to remain strong through the balance of the year and into 2022.
- Turkish steel production is expected to strengthen through the remainder of 2021 and into 2022.
- Full repayment of the Befesa plant modernization loan is anticipated by the end of 2021.
- Turkish Zinc JV dividend payments will resume following repayment of the non-recourse loan from Befesa.
- Global Atomic continues to receive monthly management fees and sales commissions helping to offset corporate overheads.

COMPARATIVE RESULTS

The following table summarizes comparative results of operations of the Company:

(all amounts in C\$)	Three months ended September 30, Nine months ended September 30,			
	2021	2020	2021	2020
Revenues	\$ 223,645	\$ 146,225	\$ 833,435	\$ 595,878
General and administration	1,839,403	676,197	5,555,109	2,177,485
Share of equity loss (earnings)	(2,134,265)	1,384,333	(3,943,846)	2,988,607
Other income	(1,000)	(33,044)	(68,000)	(93,044)
Finance expense	7,709	3,870	18,310	12,726
Foreign exchange loss (gain)	7,481	(2,659)	60,854	(20,788)
Net income (loss)	\$ 504,317	\$ (1,882,472)	\$ (788,992)	\$ (4,469,108)
Other comprehensive income (loss)	\$ 148,130	\$ (924,400)	\$ (3,738,763)	\$ (1,023,689)
Comprehensive income (loss)	\$ 652,447	\$ (2,806,872)	\$ (4,527,755)	\$ (5,492,797)
Basic net income per share	\$0.003	(\$0.012)	\$ (0.005)	\$ (0.030)
Diluted net income per share	\$0.003	(\$0.012)	\$ (0.005)	\$ (0.030)
Basic weighted-average number of shares outstanding	162,330,717	150,695,797	160,449,845	149,402,735
Diluted weighted-average number of shares outstanding	172,921,252	157,871,978	160,449,845	157,541,571

	As at	
	30-Sep	31-Dec
	2021	2020
Cash	\$ 7,559,938	\$ 2,448,235
Exploration & evaluation assets	43,264,573	37,812,477
Investment in joint venture	13,288,281	11,497,351
Other assets	1,976,907	1,283,024
Total assets	\$ 66,089,699	\$ 53,041,087
Total liabilities	\$ 1,087,648	\$ 1,231,149
Shareholders' equity	\$ 65,002,051	\$ 51,809,938

The consolidated financial statements reflect the equity method of accounting for Global Atomic's interest in BST. The Company's share of net earnings and net assets are disclosed in the notes to the financial statements.

Revenues include management fees and sales commissions received from the Turkish Zinc JV. These are based on joint venture revenues generated and zinc concentrate tonnes sold. Revenues in 2021 have increased with the increased zinc prices and higher sales in the Turkish Zinc JV.

General and administration costs at the corporate level include general office and management expenses, stock option awards, costs related to maintaining a public listing, professional fees, audit, legal, accounting, tax and consultants' costs, insurance, travel and other miscellaneous office expenses. Stock option expenses, professional fees and salaries have increased in 2021 compared with 2020 due to growth required to support Dasa development.

Share of net earnings from joint venture represents Global Atomic's equity share of net earnings from the Turkish Zinc JV. The significant growth in 2021 EBITDA of the Turkish Zinc JV has resulted in positive equity income compared to a loss in 2020.

Uranium Business

Upon completion of the PEA, the Company undertook various optimization and trade-off studies and initiated the final Feasibility Study for the Phase 1 mine plan. The results of the Feasibility Study are expected to be announced shortly.

After close to 50 years in operation, in March 2021 Orano shut the Cominak underground mine in Arlit, located approximately 100 kilometers north of the Dasa Project, due to ore exhaustion. The Cominak shut down provides the Company with a large skilled work force available for the Dasa Mine. Global Atomic has begun the interviewing process and plans building the in-country Global Atomic mining team over the coming months.

The Company signed a Memorandum of Understanding with Orano Mining in 2017, to supply DSO to its Somaïr plant and to explore other opportunities for cost savings for both operations. The Company has continued to advance its negotiations with Orano to process up to 500,000 tonnes of Dasa development ore at the Somaïr facility.

The Company has engaged HCF International Advisers as financial adviser to assist with the arrangement of project debt financing. Concurrently, the Company has developed a marketing strategy and discussions are ongoing with utilities with a view of securing contracts for a portion of Dasa Phase 1 Yellowcake production.

The Company began a 15,000-meter drill program at Dasa in September 2021. The drill program is focused on upgrading Indicated and Inferred resources on strike of the Phase 1 Flank Zone Mining Area to the Measured and Indicated categories plus an extension of mineralization on strike. With the upgrading of the on-strike resources, the Phase 1 Flank Zone mining may expand, adding to the current 12-year mine plan at the Flank Zone, as well as allowing Global Atomic to define the Phase 2 mine plan incorporating the upgraded mineral resources.

The Company also initiated a drill program at the Isakanan deposit in September. Previous drilling has indicated a substantial resource exists. The Isakanan deposit may be amenable to In-Situ leaching and the current drill program and related test work will define this potential.

Turkish Zinc JV EAFC Operations

The following table summarizes comparative operational metrics of the Turkish Zinc JV facility.

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
	100%	100%	100%	100%
Exchange rate (TL/C\$, average)	6.78	5.44	6.44	4.98
Exchange rate (C\$/US\$, average)	1.26	1.33	1.25	1.35
Exchange rate (TL/C\$, period-end)	6.98	5.80	6.98	5.80
Exchange rate (C\$/US\$, period-end)	1.27	1.33	1.27	1.33
Average zinc price (US\$/lb)	1.36	1.06	1.31	0.97
EAFD processed (DMT)	16,370	12,269	53,012	51,295
Production (DMT)	5,461	4,593	18,478	18,755
Shipments (DMT)	5,460	4,189	18,658	19,941
Shipments (zinc content '000 lbs)	8,015	6,296	28,071	30,641

The average zinc price in Q3 2021 was US \$1.36/lb, up from US \$1.06/lb in Q3 2020. The zinc price was negatively affected by COVID-19 in Q1 & Q2 2020, but began recovering from the summer 2020 through to the end of the year. The zinc price has continued its upward trend throughout 2021. China has imposed reduced operating hours for smelters and European smelters have reduced production, both the result of higher energy costs and lower availability. Notwithstanding, Waelz oxide concentrates sold by Befesa, including those from the Turkish Zinc JV, continue to be in high demand, so there has been no impact on our business.

A general recovery in the steel industry began in Q3 2020 and has continued into 2021. For the 9 months ended September 30, 2021, global steel production was up 7.8% over the comparable 2020 period. Global steel production in Q3 2021 showed virtually no change from the same period in 2020. Within this, Chinese steel production declined by 13% in Q3 2021 compared with Q3 2020, resulting in a decline in China's market share from 60% to 53%. Steel production in the rest of the world increased by 19% in Q3 2021 when compared to 2020.

The World Steel Association recently published its short-term outlook for demand, which projects a 2.2% overall global demand growth in 2022. This demand growth is broadly-based across all countries, with the exception of China, where demand growth is projected to be flat in 2022. China has experienced adverse weather, a weakened real estate sector, and government caps on steel production due to energy constraints. The World Steel Association expects all economies to experience continued steel demand growth due to pent up demand in the manufacturing sector and the gradual easing of supply chain disruptions in the automotive sector.

Turkish steel production has increased by 15% in the 9 months of 2021 compared with 2020. Expanding consumer loans and infrastructure projects have helped to drive steel demand. As well, Turkey has increased its exports to offset reduced Chinese exports. The steel producers in Turkey are increasing production capacity. In recent months, a major Electric Arc Steel Mill in the Iskenderun region has resumed production in a plant that had been on care and maintenance for a number of years. Another producer has announced plans to begin construction of a new plant in the Iskenderun region. In the Izmir region, two steel producers have announced plans to expand their production facilities. These projects will increase the supply

of EAFD in the Turkish market and should enable the Turkish Zinc JV to increase throughput at the Iskenderun plant.

The following table summarizes comparative results of the Turkish Zinc JV at 100%.

	Three months ended September 30, Nine months ended September 30,			
	2021	2020	2021	2020
	100%	100%	100%	100%
Net sales revenues	\$ 12,694,730	\$ 5,555,087	\$ 34,901,981	\$ 22,649,656
Cost of sales	6,252,229	3,681,069	17,518,999	18,111,776
Foreign exchange loss (gain)	27,880	(611,932)	(789,346)	(1,367,023)
EBITDA ⁽¹⁾	\$ 6,414,622	\$ 2,485,950	\$ 18,172,328	\$ 5,904,903
Management fees & sales commissions	461,697	294,929	1,688,371	1,202,901
Depreciation	630,438	802,560	1,974,306	2,412,597
Interest expense	170,015	457,675	640,972	1,370,798
Foreign exchange loss on debt	56,059	4,415,934	3,290,991	8,670,782
Other expense (income)	-	(49,097)	-	(49,097)
Deferred tax expense	740,770	(610,882)	2,529,021	(1,603,879)
Net income	\$ 4,355,643	\$ (2,825,169)	\$ 8,048,666	\$ (6,099,199)
Global Atomic's equity share	\$ 2,134,265	\$ (1,384,333)	\$ 3,943,846	\$ (2,988,608)
Global Atomic's share of EBITDA	\$ 3,143,165	\$ 1,218,116	\$ 8,904,441	\$ 2,893,402

(1) EBITDA is a non-IFRS measure, does not have a standardized meaning prescribed by IFRS and may not be comparable to similar terms and measures presented by other issuers. EBITDA comprises earnings before income taxes, interest expense (income), foreign exchange loss (gain) on debt, depreciation, management fees, sales commissions, losses (gains) on sale of property, plant and equipment and impairment charges.

The Turkish Zinc JV realized significant growth in revenues during the nine months of 2021 compared to the same period in 2020, benefitting from higher zinc prices and reduced treatment charges in 2021. EBITDA increased to \$18.2 million for the 9 months 2021 (Global Atomic share - \$8.9 million) compared with \$5.9 million in 2020 (Global Atomic share - \$2.9 million).

The cash balance of the Turkish Zinc JV was US \$4.0 million at September 30, 2021.

Total debt was reduced to US \$12.65 million in 2021 from US \$21.8 million at the end of 2020. At September 30, 2021, the Befesa loan totaled US \$5.65 million (December 31, 2020 - US \$13.6 million) which bears interest at Libor + 4.0% with no fixed maturity date. As at September 30, 2021, Global Atomic's share of the Befesa loan was US \$2.77 million. The local Turkish revolving credit facility balance was US \$7.0 million at September 30, 2021 (December 31, 2020 - US \$8.2 million) and bears interest at 3.18%. It is expected that the Befesa loan will be paid out by the end of 2021. The Turkish revolving credit facility can be rolled forward. Once the Befesa loan has been repaid, dividend payments to the Company will resume.

QP Statement

The scientific and technical disclosures in this news release have been reviewed and approved by Ronald S. Halas, P.Eng. and George A. Flach, P.Geo. who are "qualified persons" under National Instrument 43- 101 - Standards of Disclosure for Mineral Properties.

About Global Atomic

[Global Atomic Corp.](http://www.globalatomiccorp.com) (www.globalatomiccorp.com) is a publicly listed company that provides a unique combination of high-grade uranium mine development and cash-flowing zinc concentrate production.

The Company's Uranium Division includes four deposits with the flagship project being the large, highgrade Dasa Project, discovered in 2010 by Global Atomic geologists through grassroots field exploration. With the issuance of the Dasa Mining Permit and an Environmental Compliance Certificate by the Republic of Niger, the Dasa Project is fully permitted for commercial production. Final design in support of the Company's Feasibility Study is ongoing.

Global Atomics' Base Metals Division holds a 49% interest in the Befesa Silvermet Turkey, S.L. ("BST") Joint Venture, which operates a modern zinc production plant, located in Iskenderun, Turkey. The plant recovers zinc from Electric Arc Furnace Dust ("EAFD") to produce a high-grade zinc oxide concentrate which is sold to zinc smelters around the world. The Company's joint venture partner, Befesa Zinc S.A.U. ("Befesa") listed on the Frankfurt exchange under 'BFSA', holds a 51% interest in and is the operator of the BST Joint Venture. Befesa is a market leader in EAFD recycling, with approximately 50% of the European EAFD market and facilities located throughout Europe, Asia and the United States of America.

The information in this release may contain forward-looking information under applicable securities laws. Forward-looking information includes, but is not limited to, statements with respect to completion of any financings; Global Atomics' development potential and timetable of its operations, development and exploration assets; Global Atomics' ability to raise additional funds necessary; the future price of uranium; the estimation of mineral reserves and resources; conclusions of economic evaluation; the realization of mineral reserve estimates; the timing and amount of estimated future production, development and exploration; cost of future activities; capital and operating expenditures; success of exploration activities; mining or processing issues; currency exchange rates; government regulation of mining operations; and environmental and permitting risks. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "is expected", "estimates", variations of such words and phrases or statements that certain actions, events or results "could", "would", "might", "will be taken", "will begin", "will include", "are expected", "occur" or "be achieved". All information contained in this news release, other than statements of current or historical fact, is forward-looking information. Statements of forward-looking information are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Global Atomic to be materially different from those expressed or implied by such forward-looking statements, including but not limited to those risks described in the annual information form of Global Atomic and in its public documents filed on SEDAR from time to time.

Forward-looking statements are based on the opinions and estimates of management at the date such statements are made. Although management of Global Atomic has attempted to identify important factors that could cause actual results to be materially different from those forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance upon forward-looking statements. Global Atomic does not undertake to update any forward-looking statements, except in accordance with applicable securities law. Readers should also review the risks and uncertainties

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The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of this news release.

<https://www.minenportal.de/artikel/453278--Global-Atomic-Announces-Q3-2021-Results.html>

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