

Elon Musk's xAI secures \$6 billion in new funding

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Billionaire tech mogul Elon Musk's startup xAI said it has raised \$6 billion from investors in an increasingly crowded artificial intelligence market.

The latest funding, including from well known [venture capitalists](#) and a Saudi prince, takes the firm's total valuation to \$24 billion, based on a pre-infusion figure of \$18 billion cited by Musk.

"xAI is pleased to announce... Our Series B funding round of \$6 billion," the company said in a blog post on Sunday.

"The funds from the round will be used to take xAI's first products to market, build advanced infrastructure, and accelerate the research and development of future technologies," it added.

Musk teased on his social media platform X that there would be "more to announce in the coming weeks".

The latest round of funding came from Valor Equity Partners, Andreessen Horowitz, Sequoia Capital and Prince Alwaleed Bin Talal, among others.

Musk launched the company in July last year, shortly after he signed a letter calling for a pause in AI innovations.

He is one of the world's few investors with deep enough pockets to compete in the AI sphere with the likes of OpenAI, Google and Meta.

Building an AI model at the same scale as those companies comes at an enormous cost in computing power, infrastructure and expertise.

xAI said Sunday its primary focus was to develop "advanced AI systems that are truthful, competent, and maximally beneficial for all of

humanity".

It is developing a chatbot named Grok, which can access X, the former Twitter, in real time.

Musk earlier this month told [investors](#) that he planned to build a supercomputer dubbed "gigafactory of compute" to support the development of xAI.

The planned [supercomputer](#) would be "at least four times the size of the biggest GPU clusters that exist today," such as those used by Meta to train its AI models, Musk was quoted as saying by an industry news outlet.

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