

# The (Bidding?) War For the DRC

written by Melissa (Mel) Sanderson | March 12, 2024

Every few years the Democratic Republic of the Congo rises to international attention. Often this is due to a new round of fighting in the eastern regions of the country, with associated human rights violations. This time, however, Congo's resources are in the spotlight as nations scramble to secure access to some of the world's largest and richest deposits of critical minerals ranging from battery metals to rare earths, gallium, germanium, and others vital to "green" economies, national defense, and slowing climate change.

The major "bidders" at the moment include China, Saudi Arabia, and the United Arab Emirates. China of course has been present in the DRC for decades in the mining industry with activities ranging from blatantly illegal to merely controversial, as is the case with [Tenke Fungurume](#), one of the world's largest copper and cobalt mines. In 2006 China entered into an "infrastructure for minerals" agreement with the then-government of Joseph Kabila. Under the terms of this agreement, China built some roads, repaired some airport tarmacs and some government buildings – mostly in the eastern part of the country and in the mineral rich Katanga province. The Congolese people were unhappy with these arrangements as few jobs were created and those which were, involved menial labor. Due to the cheap materials used several projects were of short duration: perhaps the most famous was the road connecting the Bukavu airport with the city, which began eroding and collapsing in places even before the entire project was completed. In exchange, China received some of the richest copper concessions in the Katanga province and rights to other mineral holdings throughout DRC. In 2022 China's [Zijin Mining Group](#) launched a bid to take over the Manono lithium/tin concession being developed by an Australian company and in 2023

was awarded development rights when the DRC government said the Australians had been moving too slowly. The award was revoked, however, and China now is contesting that decision.

In 2021 Saudi Arabia signed a general cooperation agreement with the Tshisekedi government and in January 2024, at the Future Minerals Forum in Riyadh, the two countries signed an MOU governing cooperation in developing Congo's mineral wealth. Through its Private Investment Fund (PIF) Saudi has established a new vehicle, Manera Minerals, 50% owned by PIF and 50% by the state-owned mining company Ma'aden to actively work on sourcing critical minerals outside of Saudi to support the Saudi 2030 transformative development vision. Manera is charged with taking equity positions in existing companies thereby accelerating Saudi's access to critical minerals. Unlike the Chinese, the Saudis enjoy a positive public perception. Saudi is seen as a role model and teacher for utilizing natural resources to enrich and develop countries – a major goal for African nations – and also has the resources to invest even during market downturns when commodity companies tend to pull back, thereby ensuring that projects continue to be developed regardless of external pricing constraints. Saudi's recent agreement with the DRC envisions up to \$2 billion in investments in the mining, transportation and infrastructure sectors. Crucially, the MOU envisions investment in processing and refinement of mined products, supporting a long-desired value-add for Congolese mining.

In 2023 the UAE signed a \$2 billion deal with one of the DRC's state mining companies, Sakima, to develop up to 4 mines in South Kivu and Maniema provinces. Sakima has mining concessions for tin, tantalum, tungsten and gold in those areas: another state-owned company, Gecamines, controls copper in Katanga. This broader agreement followed an initial partnership for Primera Group, a UAE firm, to export at preferential rates artisanally-

mined gold, coltan, tin, tantalum and tungsten. This agreement supports the DRC Government's desire to professionalize artisanal mining and ensure miners are getting a better return for their efforts. The DRC also hopes the deal will help strangle access by the militias to the area and cut-off their access to funds supporting continued violence in Eastern Congo.

Russia also is stepping up its interest in the DRC. Russians, like Chinese, have been in the Congo for decades mostly smuggling arms into, and minerals out of, Eastern DRC. Elements of the Wagner Group reportedly had trained and partnered with some of the militias in the area to more directly (albeit still illegally) exploit Congo's mineral wealth. In the last six months, following the death of Wagner Group leader [Yevgeny Prigozhin](#), Russian military activities have increased and Russian political influence is emerging. The recent civil unrest in DRC's capital, Kinshasa, which saw several days of sometimes violent demonstrations in front of the US and European Embassies as well as the UN offices, is believed to have been spurred by Russia. During the Cold War in the 1960's the DRC had been a strategic site for both the US and Russia: as a bid to keep Russia from increasing its influence in DRC the US supported the rise of then-Sargent Mobutu. It appears that access to critical minerals in the DRC may be fueling another Cold War-style intervention in Africa by Russia – which has offered its military support to several African countries to enable governments to “suppress unrest.”

Meanwhile, what are the US and European countries doing? Very little. Even though by some estimates approximately 70% of the crucial critical minerals are in an arc spanning Central Asia to Africa, and even though in many countries the US remains the preferred partner (when possible) there, so far has been little apparent effort to support US businesses to develop and secure the resources needed for economic transformation and national

defense.

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# Stephen Burega on Romios Gold's Recent Strides Forward in High-Grade Copper Exploration in Nevada

written by InvestorNews | March 12, 2024

In this InvestorNews interview, host Peter Clausi sits down with Stephen Burega, President, CEO, and Director of [Romios Gold Resources Inc.](#), (TSXV: RG | OTCQB: RMI0F) to discuss the company's latest exploration achievements. Highlighted in a [news release](#) on October 12, 2023, Romios has made significant strides in Nevada by discovering a high-grade copper boulder train at its Kinkaid project within the Walker Lane trend. This discovery, coupled with the identification of possible porphyry-type alterations, led to the staking of sixteen new claims. The exploration uncovered nine mineralized boulders showing copper values averaging 5.03% Cu and noteworthy gold values, suggesting a sizeable mineralized system just waiting to be fully explored. Under the guidance of John Biczok, VP of Exploration, Romios is poised to further investigate these new and existing claims through detailed mapping and sampling.

The company's exploration strategy, as Burega detailed to Clausi, focuses on leveraging Romios' expertise to tap into underexplored areas, showcasing the efficiency and potential of its Nevada projects. With over 25 targets now identified on the

Kinkaid property, every expedition uncovers new potential, underscoring Romios' commitment to cost-effective and impactful exploration. This relentless pursuit of discovery highlights the significant prospects and exciting future that Romios Gold Resources Inc. faces in its quest to unearth valuable copper, gold, and silver resources.

To access the complete interview, [click here](#)

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## **About Romios Gold Resources Inc.**

Romios Gold Resources Inc. is a progressive Canadian mineral exploration company engaged in precious- and base-metal exploration, focused primarily on gold, copper and silver. It has a 100% interest in the Lundmark-Akow Lake Au-Cu property plus 4 additional claim blocks in northwestern Ontario and extensive claim holdings covering several significant porphyry copper-gold prospects in the "Golden Triangle" of British Columbia. Additional interests include the Kinkaid claims in Nevada covering numerous Au-Ag-Cu workings, and two former producers: the Scossa mine property (Nevada) which is a former high-grade gold producer and the La Corne molybdenum mine property (Quebec). The Company retains an ongoing interest in several properties including a 20% carried interest in five of Honey Badger Mining's claim blocks in the Thunder Bay silver district of northwestern Ontario; a 2% NSR on McEwen Mining's Hislop gold property in Ontario; a 2% NSR on Enduro Metals' Newmont Lake Au-Cu-Ag property in BC, and the Company has signed a definitive agreement with Copperhead Resources Inc. ("Copperhead") whereby Copperhead can acquire a 75% ownership interest in Romios' Red Line Property in BC.

To learn more about Romios Gold Resources Inc., [click here](#)

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# **Technology Metals Report (03.08.2024): Chinese Investment in Asia rose 37% in 2023, and the BYD Push in Australia is Underway**

written by Tracy Weslosky | March 12, 2024

Welcome to the latest Technology Metals Report (TMR) where we highlight the top news stories that members of the [Critical Minerals Institute](https://www.CriticalMineralsInstitute.com) (CMI) have forwarded to us in the last week.

Key highlights in this Technology Metals Report include the announcement of Australia and Vietnam upgrading their relations to begin talks on critical minerals, focusing on diversifying supply chains away from China. This significant move aims to enhance cooperation in several sectors, particularly in the energy and resources sector, emphasizing the critical minerals supply chain. Both countries, known for their substantial roles in the production and reserves of critical minerals, are looking to strengthen their global supply chain positions amid rising geopolitical tensions and efforts to reduce dependency on China. Additionally, this edition features updates on Chinese investments in Asia, notably in Indonesia, which have surged by 37% in 2023 despite global economic challenges. This growth, largely concentrated in Belt and Road Initiative (BRI) countries, underscores China's strategic shift towards green energy and mining investments, especially in Southeast Asia.

Moreover, this edition of the TMR delves into several crucial developments in the critical minerals and technology metals landscape. The United States outlined its critical minerals strategy for the clean energy transition, emphasizing the need to secure and diversify supply chains for essential minerals such as nickel, manganese, cobalt, and lithium. The EU's move to register Chinese electric vehicle (EV) imports for potential retroactive tariffs reflects growing concerns over fair trade practices. Kazakhstan's emergence as a potential major supplier of lithium, along with investments aimed at expanding lithium operations by companies like Albemarle, highlights the global race to secure essential components for green and digital technologies. Furthermore, the report covers strategic shifts in the supply chain, such as Posco's agreement with Syrah Resources for graphite supply from Mozambique and Toyota's multi-pathway approach to CO2 emissions reduction. These stories collectively point to a dynamic and rapidly evolving global landscape for

critical minerals and technology metals, underlining the strategic importance of diversification, cooperation, and sustainable development in securing the materials essential for the future of technology and clean energy.

**Australia and Vietnam upgrade relations, to begin talks on critical minerals (March 7, 2024, [Source](#))** – Australia and Vietnam have elevated their relations to a comprehensive strategic partnership, announced by Australian Prime Minister Anthony Albanese. This upgrade includes an annual dialogue on minerals, focusing on diversifying supply chains away from China. The partnership aims to enhance cooperation on climate, environment and energy, defense and security, and economic engagement and education. Additionally, it will foster collaboration in the energy and resources sectors, especially in critical minerals supply chains. Both countries, significant in the production and reserves of critical minerals, seek to strengthen their positions in global supply chains amid rising tensions and efforts to reduce dependency on China. This move also signifies Vietnam's success in "bamboo diplomacy," enhancing its relations with major global powers. The partnership reflects a deep mutual political trust and commits to expanded cooperation across various sectors, marking a milestone in the bilateral relationship between Australia and Vietnam.

**Chinese investment in Asia rose 37% in 2023, led by Indonesia (March 7, 2024, [Source](#))** – In 2023, Chinese investment in the Asia-Pacific region surged by 37% to nearly \$20 billion, outperforming global trends amid economic challenges. Construction contracts also grew by 14% to about \$17 billion, supported by Chinese loans. This contrasts with a 12% decrease in foreign direct investment into Asia's emerging economies. The investment was predominantly in Belt and Road Initiative (BRI) countries, focusing on infrastructure that connects Asia to

Europe. Non-BRI country investment plummeted by 90% to a mere \$120 million. Notably, investment strategies shifted towards green energy and mining, with 50% of China's regional investment directed towards Southeast Asia, and Indonesia receiving the largest share at \$7.3 billion. However, certain countries like the Philippines and Pakistan saw significant drops in Chinese engagement due to political and economic risks. The report anticipates a further increase in Chinese investment and construction, especially in green transition initiatives and strategic infrastructure projects, despite China's own economic challenges.

**Under Secretary Jose Fernandez Discusses U.S. Critical Minerals Strategy for Clean Energy Transition (March 6, 2024, [Source](#))** –

Under Secretary Jose W. Fernandez discussed the U.S.'s strategy for securing and diversifying the supply chain of critical minerals crucial for the clean energy transition in a conversation with InvestorNews' Tracy Weslosky. Highlighting minerals like nickel, manganese, cobalt, and lithium, Fernandez underscored efforts to expand their supply and engage with countries possessing these resources through concrete projects, investment, and financing. He emphasized the challenge of reducing dependency on China, which currently controls a significant share of these minerals, pointing out the strategic vulnerability this poses. Fernandez stressed the importance of adhering to values such as environmental respect, community collaboration, and transparency in these endeavors. Despite slow progress, the U.S. aims to not only secure but also ethically source these minerals to support the global shift towards clean energy.

**EU set to allow possible retroactive tariffs for Chinese EVs (March 6, 2024, [Source](#))** –

The European Commission will start registering Chinese electric vehicle (EV) imports for potential retroactive tariffs, in response to an anti-subsidy

investigation. This investigation aims to determine if Chinese EVs benefit from unfair subsidies, potentially harming EU producers. If found guilty, tariffs could be imposed, with provisional duties possible by July and a final decision expected by November. The Commission has found preliminary evidence of subsidy and a significant 14% year-on-year increase in imports since the investigation began in October, suggesting potential harm to EU producers. The China Chamber of Commerce expressed disappointment, attributing the import surge to growing European demand for EVs.

**Kazakhstan positions itself for lithium windfall (March 6, 2024, [Source](#))** – Kazakhstan is emerging as a significant potential supplier of lithium, crucial for power-storage technology, with reserves estimated at around 75,600 tons. Research by the Korea Institute of Geoscience and Mineral Resources highlighted substantial reserves in eastern Kazakhstan, potentially worth up to \$15.7 billion. This discovery, along with European interest in Kazakhstan's critical raw materials, underscores the country's growing importance in the global lithium market. The European Commission and European Bank for Reconstruction and Development have allocated funds for lithium exploration, highlighting the strategic value of Kazakhstan's resources amidst increasing global demand. With investments from various countries, including China and potentially European entities, Kazakhstan is set to play a crucial role in the lithium supply chain, essential for green and digital technologies.

**BYD spearheads Chinese electric car push in Australia, a friendlier market (March 5, 2024, [Source](#))** – BYD and other Chinese automakers are making significant inroads into the Australian electric vehicle (EV) market, leveraging the friendly trade environment and benefiting from the government's aggressive EV adoption policies under Prime Minister Anthony Albanese since 2022. With no trade barriers, EV subsidies, and

tax benefits, EV sales in Australia have soared, with EVs making up 7.2% of new car sales in 2023. BYD, supported by Warren Buffett, has quickly captured 14% of Australia's EV market since its entry in 2022, trailing only behind Tesla. The company plans to expand its product lineup and dealership network in Australia, aiming for mainstream market penetration. Similarly, SAIC Motor under its MG brand is set to launch new models. Incumbent automakers like Ford and Toyota are also adapting, introducing electrified vehicles to compete. Despite being a relatively small market, Australia's lack of local car manufacturing and openness to international trade make it an attractive destination for Chinese EV manufacturers, especially given the geopolitical tensions in other key markets.

**Canada and Australia boost collaboration on critical minerals (March 4, 2024, [Source](#))** – Canada and Australia have committed to enhancing their cooperation on critical minerals, vital for battery production and clean energy transition, according to a joint statement released on the margins of the PDAC conference in Toronto. Both countries, rich in these essential minerals, aim to bolster their partnership through R&D collaboration, trade, and investment in the mining sector based on a non-legally binding agreement. This collaboration seeks to ensure supply chain transparency and promote high Environmental, Social, and Governance (ESG) standards globally. The initiative will be spearheaded by Canada's Natural Resources Ministry and Australia's Critical Minerals Office, focusing on policy and investment coordination to support the burgeoning demand for these minerals in the upcoming decades.

**Albemarle (ALB) Accelerates Lithium Growth With \$1.75B Offering (March 4, 2024, [Source](#))** – Albemarle Corporation (NYSE: ALB) announced a \$1.75 billion offering in depositary shares, each representing a 1/20th interest in Series A Mandatory Convertible Preferred Stock, with a potential additional offering of \$262.5

million under certain conditions. The proceeds are intended for general corporate uses, notably to fund growth capital expenditures for expanding lithium operations in Australia and China, as well as repaying outstanding commercial paper. The depositary shares will carry rights and preferences similar to the Preferred Stock, including conversion into common stock on or around March 1, 2027. Despite a 52.1% decrease in Albemarle's share price over the past year, the company forecasts a 10-20% increase in Energy Storage volumes for 2024, with expected net sales in its Specialties and Ketjen segments ranging from \$1.3 to \$1.5 billion and \$1 to \$1.2 billion, respectively.

**Posco to source 60,000 tons of graphite from Africa in pull away from China (March 3, 2024, [Source](#))** – Posco Future M, a subsidiary of Posco Group, is shifting its supply chain for natural graphite, a crucial battery material, away from China towards Africa. This move is highlighted by a new deal with Australian mining firm Syrah Resources Limited (ASX: SYR), which will provide Posco Future M with up to 60,000 tons of natural graphite annually for six years from its Mozambique Balama operation, starting no later than 2025. This supply is expected to cover 40% of Posco Future M's anode production, translating to about 30,000 tons of anodes. The agreement comes amid concerns over China's control over graphite exports, potentially as leverage against international policies such as the U.S.'s Inflation Reduction Act. Posco's decision reflects a broader strategy to diversify supply sources and reduce dependency on China, amid rising geopolitical tensions and supply chain vulnerabilities.

**Total EV Adoption Is Not The Way Forward, Says Toyota Chairman (March 3, 2024, [Source](#))** – Akio Toyoda, Toyota's Chairman, expresses skepticism towards full adoption of battery electric vehicles (BEVs), arguing they will not dominate the market beyond a 30% share despite other markets already exceeding this

percentage. In a presentation in Tokyo, he emphasized a multi-pathway approach to combating CO2 emissions, suggesting that consumer choice should drive the future of automotive powertrains rather than regulations. Toyota plans to focus on a diverse range of technologies including internal combustion engines, hybrids, and hydrogen vehicles, alongside BEVs. Despite the global push towards electric vehicles, with countries like Norway showing an 80% market share for EVs, Toyota's stance reflects a broader strategy to embrace multiple solutions for emission reduction. This perspective aligns with Toyota's goal to comply with future regulations and its commitment to sell 1.5 million EVs by 2026, while also investing in alternative technologies like e-fuels.

**Kazakhstan plans to export aluminum, gallium and scandium to the US (March 1, 2024, [Source](#))** – Kazakhstan is aiming to strengthen its trade ties with the United States by proposing to export aluminum, gallium, and scandium. This initiative was unveiled during Minister of Industry and Construction Kanat Sharlapayev's official visit to the U.S., focusing on promoting Kazakhstani interests globally and expanding cooperation in critical materials. In addition to these exports, Kazakhstan is offering tolling services and exploring the production of other precious minerals like wolfram, cobalt, lithium, and titan, aiming to discuss long-term contracts and investment support. The country, which processes 17 of the 50 minerals critical to the U.S. economy, already exports several strategic minerals to American companies. Sharlapayev's visit also involved meetings with leading American companies to discuss opportunities in industrial production and geological exploration. The talks highlighted the potential for joint projects in various sectors, including infrastructure development and technology, with the U.S. International Development Finance Corporation expressing interest in deepening cooperation with Kazakhstan.

**Chinese money still chasing Canadian critical mining deals despite Ottawa's scrutiny (February 27, 2024, [Source](#))** – A year after Canada tightened its foreign investment rules for the critical minerals sector to enhance national security, Chinese investments continue to flow into Toronto-listed mining companies, as per research by the University of Alberta. Despite Canada forcing three Chinese investors to divest their stakes in 2022 and increasing scrutiny on foreign deals, especially in critical minerals, investments from China and Hong Kong surged to C\$2.2 billion in 2023, a significant leap from C\$62 million in 2022. This influx is buoyed by the perception that Canada remains open to Chinese investments, with junior miners finding it easier to secure funding. The critical minerals sector, vital for Canada's national security, has seen Chinese entities actively investing, notably in copper assets. For instance, MMG Africa Ventures acquired a copper mine for C\$1.7 billion, and Jiangxi Copper Co increased its stake in First Quantum Minerals Ltd. (TSX: FM). Some Canadian miners are lobbying for more Chinese investments due to difficulties in raising capital elsewhere, despite the government's stringent stance on safeguarding critical resources.

## **Investor.News Critical Minerals Videos:**

- March 08, 2024 – Mark Chalmers on Energy Fuels as a Profitable Uranium Producer in the U.S. <https://bit.ly/3P9nl1J>
- March 07, 2024 – Critical Metals Russell Fryer on Copper and Cobalt Plans for Production in 2024 <https://bit.ly/43bGYvJ>
- March 06, 2024 – Under Secretary Jose Fernandez Discusses U.S. Critical Minerals Strategy for Clean Energy

Transition <https://bit.ly/433yBSZ>

## Critical Minerals IN8.Pro Member News Releases:

- March 8, 2024 – F3 and Traction Begin Drilling to Locate Source of Radioactive Boulders <https://bit.ly/436k09t>
- March 7, 2024 – American Clean Resources Group Commits to Transfer Federal Tax Credits to Investors to Accelerate the Development of Its Renewable Energy Assets <https://bit.ly/3wCIjzu>
- March 6, 2024 – Halleck Creek Project Update <https://bit.ly/3InYYJV>
- March 6, 2024 – Karbon-X Announces Appointment of Brett Hull and Justin Bourque to its Board of Directors <https://bit.ly/3TpdYxt>
- March 5, 2024 – Panther Metals PLC – Australia: Cogia Nickel-Cobalt Mineral Resource Exceeds 100Mt <https://bit.ly/3IptcMI>
- March 5, 2024 – Panther Metals PLC – Obonga: Extension of Purchase Agreement <https://bit.ly/3TmYLge>
- March 4, 2024 – Ucore Progresses Through Heavy Rare Earth Processing as It Completes Second Milestone of Strategic US DoD Contract <https://bit.ly/3uSunkx>
- March 4, 2024 – First Phosphate Corp. Receives Mining Research and Innovation Grant from Quebec Ministry of Natural Resources <https://bit.ly/3Iny84z>
- March 4, 2024 – Voyageur Pharmaceuticals and API Forge Alliance for Carbon-Based Imaging Drug Advancement <https://bit.ly/3wBuem6>
- March 4, 2024 – Defense Metals Ships Mixed Rare Earth Carbonate Samples to two major REE companies

<https://bit.ly/43iwmlT>

- March 4, 2024 – Power Nickel Defines Initial Volume on its High-Grade Cu-Pt-Pd-Au-Ag Zone 5km Northeast of its Main Nisk Deposit <https://bit.ly/3TiZNde>
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# Critical Metals Russell Fryer on Copper and Cobalt Plans for Production in 2024

written by InvestorNews | March 12, 2024

In a revealing interview at PDAC 2024, InvestorNews host Tracy Weslosky engaged with Russell Fryer, CEO and Executive Director of Critical Metals PLC (LSE: CRTM), shedding light on the company's strategic operations in the Democratic Republic of Congo (DRC) and its forward-looking goals. Fryer discussed the evolving political climate in the DRC, highlighting the peaceful presidential election in December 2023 as evidence of the country's commitment to democracy and the rule of law, which is crucial for investors considering Congo-based companies. He underscored the significance of the DRC in the global supply of cobalt, essential for green energy, and the high-grade copper reserves, vital as other regions face diminishing supplies.

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# **Under Secretary Jose Fernandez Discusses U.S. Critical Minerals Strategy for Clean Energy Transition**

written by InvestorNews | March 12, 2024

In a compelling conversation with InvestorNews host Tracy Weslosky, Jose W. Fernandez, the Under Secretary of State for Economic Growth, Energy, and the Environment for the US, shared insights into the country's strategic initiatives to secure and diversify the critical minerals supply chain, vital for the clean energy transition. Fernandez emphasized the significance of critical minerals like nickel, manganese, cobalt, and lithium, outlining the efforts to expand their supply to meet future demands.

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# **PDAC President Raymond Goldie Bolsters Toronto's Status as Global Mining Investment Capital in Lead-Up to PDAC 2024**

written by InvestorNews | March 12, 2024

In an enlightening conversation with InvestorNews host Tracy

Weslosky, Raymond Goldie, President of the Prospectors & Developers Association of Canada (PDAC), unveiled details about the highly anticipated PDAC 2024 Convention. Scheduled for March 3-6, 2024, in Toronto, this event marks a continuation of PDAC's legacy, now entering its 92nd year, as the premier global gathering for leaders, executives, government representatives, students, scientists, and enthusiasts in the mineral exploration and development sector. Goldie emphasized the convention's significance, highlighting its role as the industry's event-of-choice, reflecting PDAC's longstanding influence and reach.

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# **Technology Metals Report (02.11.2024): Constantine Karayannopoulos Resurfaces, Landmark \$18.8 Billion Cathode Supply Deal in Tennessee, and Canada Invests in Ucore**

written by Tracy Weslosky | March 12, 2024

Welcome to the latest Technology Metals Report (TMR) where we highlight the top news stories that members of the [Critical Minerals Institute](#) (CMI) have forwarded to us in the last week. Key highlights in this Technology Metals Report include significant developments such as Appia Rare Earths & Uranium Corp. enriching its advisory committee with the appointment of industry veteran Constantine Karayannopoulos, a move poised to

strengthen its strategic capabilities in the critical minerals sector. Additionally, stories highlighted last week include Ford Motor Company's substantial \$4.7 billion loss in its electric vehicle (EV) segment for 2023, a figure that underscores the economic challenges facing companies transitioning to electric mobility.

Moreover, this edition of the TMR delves into Bora Mining Services' strategic acquisition in the Steenkampskraal Monazite Mine and the landmark \$18.8 billion cathode supply deal between General Motors and LG Chem, both of which underscore the strategic efforts to secure critical materials for the burgeoning EV market. The report also examines Hitachi Construction Machinery's innovations with its all-electric dump truck prototype, signaling a push towards sustainability in mining operations. Commentary on the EV market by industry expert Jack Lifton highlights the sector's challenges and misalignments with consumer preferences. Furthermore, Canada's advancement over China in the BloombergNEF Global Lithium-Ion Battery Supply Chain Ranking and the discontinuation of merger talks between Lynas Rare Earths and MP Materials are highlighted, reflecting the dynamic nature and strategic maneuvers within the global critical minerals and electric vehicle sectors.

**Appia Appoints Constantine Karayannopoulos as New Member to Its Critical Minerals Advisory Committee (February 9, 2024, [Source](#))** – [Appia Rare Earths & Uranium Corp.](#) (CSE: API | OTCQX: APAAF) announced the appointment of Constantine Karayannopoulos to its Advisory Committee, alongside rare earths experts Jack Lifton and Don Hains. Karayannopoulos, with a 30-year career in the rare earth and critical minerals sectors, including as President and CEO of [Neo Performance Materials Inc.](#) (TSX: NEO), brings significant expertise to Appia. His background includes pivotal roles in the industry, such as leading the first foreign company

in China's Rare Earth industry and co-founding Neo Lithium Corp. His appointment, starting February 1, 2024, is set to enhance Appia's strategic capabilities in the critical minerals sector, supported by his consulting company, Kloni Inc. Appia has granted 300,000 options to Kloni Inc. as part of this agreement.

**Rare Earths Discovery Near Wheatland So Big It Could Be World Leader (February 7, 2024, [Source](#))** – American Rare Earths Limited (ASX: ARR | OTCQB: ARRNF) has made a groundbreaking discovery near Wheatland, Wyoming, revealing 2.34 billion metric tons of rare earth minerals, significantly surpassing initial estimates and other local discoveries. This positions Wyoming as a key player in reducing reliance on China's rare earth market, vital for green energy technologies. With only 25% of their land explored, the potential for further discoveries is immense. The company, part of an Australian enterprise, plans scalable mining operations to meet the high global demand. This development, along with other explorations in Wyoming, could transform the U.S. into a major source of rare earth minerals, essential for a range of advanced technologies. Further economic and development projections are anticipated, underlining Wyoming's emerging significance in the global rare earth industry.

**Ford Lost \$4.7B On EVs Last Year, Or About \$64,731 For Every EV It Sold (February 7, 2024, [Source](#))** – Ford Motor Company's venture into electric vehicles (EVs) in 2023 resulted in a significant financial loss, overshadowing its overall profits for the year. The company experienced an operating loss of \$4.7 billion from its EV business, termed as "Model e," despite achieving a net income of \$4.3 billion on \$176 billion revenue. This loss equates to approximately \$64,731 for each of the 72,608 EVs sold last year, demonstrating the financial challenge of transitioning to electric mobility. The loss was attributed to competitive pricing, strategic investments in new EV development, and exceeded Ford's initial projections. The

automotive giant's commitment to EVs, which includes a \$50 billion investment plan, has been questioned in light of these results. Additionally, Ford's EV production adjustments and the broader automotive industry's challenges with EV demand and profitability highlight the difficulties in achieving widespread EV adoption. This situation reflects broader market trends and concerns over the viability and appeal of EVs, particularly in markets dominated by conventional vehicles and specific demographic niches.

**Bora Mining Acquires Share in Steenkampskraal Monazite Mine (February 7, 2024, [Source](#))** – Bora Mining Services (BMS) has acquired a share in Steenkampskraal Monazite Mine (SMM), a high-grade rare earths and thorium mine, to commence operations in early 2024. With a significant investment, including a R1 billion infrastructure, BMS aims to refurbish and develop the mine, leveraging its expertise in mining operations. The mine boasts an impressive 14.5% average grade of total rare earth oxides, with potential for resource expansion. The partnership focuses on producing monazite concentrate initially, with plans to extend production to mixed rare earth carbonate and thorium. The project has received positive feedback from regulatory bodies and has a dynamic growth strategy across three phases, eventually aiming to produce individual rare earth oxides. The initiative is expected to cater to global rare earth demands, with thorium also highlighted for its safety and potential in cancer therapy.

**South Korea's LG Chem signs \$19 bln cathode supply deal with General Motors (February 7, 2024, [Source](#))** – General Motors (GM) and South Korea's LG Chem have signed a \$18.8 billion deal for cathode material supply, enhancing GM's electric vehicle (EV) production chain from 2026 to 2035. This partnership aims to support the production of 5 million high-performance EVs, with LG Chem's Tennessee plant serving as a cornerstone for a

localized supply chain. The agreement, building on a prior commitment for over 950,000 tons of Cathode Active Material, signifies a major step towards sustainable EV production. The Tennessee facility, set to be America's largest cathode plant, will primarily supply Ultium Cells LLC, a GM and LG Energy Solutions joint venture, potentially extending to other GM EV projects. This move aligns with U.S. Inflation Reduction Act criteria, emphasizing local supply chain benefits.

**Hitachi launches final tests of its electric dump truck (February 6, 2024, [Source](#))** – Hitachi Construction Machinery has introduced a prototype of its all-electric dump truck, which is now undergoing final testing at a copper-gold mine in Zambia. Based on the EH4000AC-3 model with a 221-tonne payload, this electric version includes ABB's battery technology and converters. Unlike its diesel counterpart, it operates on internal batteries on level ground and external trolley power uphill, while regenerative braking recharges the battery downhill. Performance details are pending, but the combustion engine model's specs offer insight. This initiative, started in 2021 by Hitachi and ABB, aims to meet electric dump truck demand in mining and reduce emissions, highlighting a shift towards electrification in heavy machinery and contributing to environmental sustainability.

**Riding the EV Revolution Rollercoaster Amid the West's Electric Car Climbdown (February 5, 2024, [Source](#))** – Jack Lifton's critique on the electric vehicle (EV) industry highlights the clash between government strategies and market dynamics, alongside the competitive pressure from Chinese manufacturers. He points out major manufacturers like Renault and Volvo retreating from ambitious EV projects due to mismatches in market demand and production costs. Jack also observes a consumer shift back to petrol models, suggesting a misalignment between EV production and consumer preferences. Advocating for

hybrids, he emphasizes the need for adaptability, innovation, and market responsiveness. His insights stress the importance of aligning visionary goals with practical market demands and competitive challenges, underlining the complexity of navigating the evolving EV landscape with agility and foresight.

**South African platinum industry could shed up to 7,000 jobs to cut costs (February 5, 2024, [Source](#))** – The South African platinum industry, responsible for about 70% of the world's mined platinum, may cut 4,000 to 7,000 jobs due to restructuring amid high costs and declining prices. The Minerals Council highlighted this at the Investing in African Mining Indaba conference in Cape Town, noting the impact of the shift towards electric vehicles and the falling demand for platinum group metals (PGMs) used in traditional combustion engines. High electricity and labor costs, along with a 40% and 15% drop in palladium and platinum prices respectively, have pressured miners. Major companies like Anglo American Platinum and Sibanye Stillwater are considering operation restructuring and job cuts to reduce expenses, facing challenges from lower ore grades and rising input costs.

**China Drops to Second in BloombergNEF's Global Lithium-Ion Battery Supply Chain Ranking as Canada Comes Out on Top (February 5, 2024, [Source](#))** – Canada has taken the top spot in BloombergNEF's Global Lithium-Ion Battery Supply Chain Ranking, outpacing China due to its ample raw materials, policy support, and strong ties with the US auto industry. This represents a significant shift, emphasizing the increasing importance of sustainability and ESG practices in the sector. North America shines in the rankings, with policy initiatives like the US Inflation Reduction Act bolstering the region's standing. Mexico notably rose nine spots, benefiting from its industrial base and potential US policy impacts. Global investment in clean energy supply chains hit \$135 billion, highlighting the sector's growth

and the evolving dynamics of trade relations. The ranking assesses countries on raw materials, manufacturing, demand, ESG, and innovation, reflecting the global push towards sustainable energy solutions.

**Australia's Lynas Rare Earths quits tie-up talks with MP Materials (February 5, 2024, [Source](#))** – Australia's Lynas Rare Earths and U.S.-based MP Materials terminated merger discussions amid valuation disagreements and strategic considerations. The potential union aimed to bolster supply chain diversification for critical minerals outside China, which commands the rare earth market. The talks' cessation reflects the complexities of consolidating operations within the global rare earths industry, crucial for technology and defense sectors. Despite the strategic intent to reduce reliance on Chinese rare earths, both companies faced hurdles, including technological challenges and anti-trust regulations. Lynas, with significant projects across Australia, Malaysia, and the U.S., and MP Materials, which relies on Chinese refining, concluded that the merger lacked sufficient synergies to proceed, underscoring the intricate dynamics of international rare earths commerce.

**Canada Announces Over \$4 million to Support Critical Minerals Value Chains and Create Good Jobs in Ontario (February 5, 2024, [Source](#))** – Canada is investing \$4.2 million in Ucore Rare Metals Inc. through the Critical Minerals Research, Development, and Demonstration (CMRDD) program to enhance the country's capabilities in producing critical minerals essential for the green and digital economy. This investment, announced by Mark Gerretsen, aims to scale up Ucore's rare earth element separation technology, pivotal for electric vehicle motors and renewable energy technologies. It promotes domestic processing, reducing reliance on foreign separation and bolstering Canada's electric vehicle value chain. This initiative will create employment, including for Indigenous communities, and support

Canadian technological advancements in sustainable practices. It aligns with Canada's commitment to a cleaner, low-carbon economy by fostering competitive value chains and economic growth.

**Germany's dream of 15 million electric vehicles is fading away (February 3, 2024, [Source](#))** – At a Berlin auto industry event, BMW CEO Oliver Zipse and Transport Minister Volker Wissing highlighted the slowdown in electric vehicle (EV) adoption in Germany. Despite previous optimism, challenges such as a saturated high-end market, lack of affordable options, dwindling government incentives, and inadequate charging infrastructure have emerged. With EV sales projected to drop and the ambitious goal of 15 million EVs by 2030 now looking unrealistic, the industry faces a pivotal moment. The need for diversified vehicle power solutions, including combustion, hybrid, and hydrogen vehicles, becomes apparent. Analysts are skeptical about meeting emissions targets without further subsidies, pointing to a broader slowdown that could impact investment and long-term environmental goals.

Special thanks to the [Critical Minerals Institute – Leading the Critical Minerals Sector](#), for more information or to send us a highlighted industry story you think we need to include in our weekly Technology Metals Report, please send to Raj Shah – my co-editor, at [raj@investornews.com](mailto:raj@investornews.com). Thank you.

#### **Investor.News Critical Minerals Media Coverage:**

- February 6, 2024 – Global Winds: Opening the Door for a New Middle Eastern Hegemon <https://bit.ly/492BPbH>
- February 5, 2024 – Riding the EV Revolution Rollercoaster Amid the West's Electric Car Climbdown <https://bit.ly/42oLYNn>
- February 4, 2024 – Empowering Canadian Resource Exploration: The Strategic Role of Flow-Through Shares,

and the Power of PDAC <https://bit.ly/3uv4pm0>

### **Investor.News Critical Minerals Videos:**

- February 8, 2024 – Jack Lifton and Panther Metals Darren Hazelwood on the “greenstone belt for VMS deposits” in Canada <https://bit.ly/42zDzqv>
- February 8, 2024 – Fathom’s Ian Fraser on Rising Market Interest in Albert Lake and Nickel as a Critical Mineral <https://bit.ly/49uxFcu>
- February 5, 2024 – Tawana Bain and ACRG’s Drive for a Sustainable American Supply Chain through Net-Zero Mineral Production <https://bit.ly/4bnBcLg>
- February 5, 2024 – Terry Lynch on Power Nickel’s Ambitious 2024 Drilling Program at the Nisk Project in Nemaska <https://bit.ly/49i70Ei>
- February 5, 2024 – Voyageur Pharmaceutical’s Brent Willis on Revolutionizing the Medical Imaging Industry, plus SmoothX <https://bit.ly/3SsrlLt>

### **Critical Minerals IN8.Pro Member News Releases:**

- February 9, 2024 – Ucore Announces Closing of Final Tranche of Upsized Debenture Offering <https://bit.ly/49o07Na>
- February 9, 2024 – Appia Appoints Constantine Karayannopoulos as New Member to Its Critical Minerals Advisory Committee <https://bit.ly/30CnNVL>
- February 9, 2024 – American Rare Earths Limited: Appointment of Chairman – Richard Hudson <https://bit.ly/3HU47Ji>
- February 8, 2024 – Auxico Announces Sampling Results From a Geological Report on the Minastyc Property

<https://bit.ly/3UAtsj3>

- February 8, 2024 – Fathom Announces Start of Drilling at Albert Lake Project <https://bit.ly/499VW7K>
- February 8, 2024 – Appia Announces Outstanding Re-Assayed Diamond Drill Results Including 100 Metres Averaging 3,577 PPM TREO at Its PCH Ionic Clay Project, Brazil <https://bit.ly/48dXQTs>
- February 7, 2024 – American Rare Earths Resource Estimate Increased by 64% <https://bit.ly/3SuhAfU>
- February 7, 2024 – Imperial Mining Announces Shareholder Approval of Name Change to Scandium Canada Ltd. and Results of its 2024 Annual and Special Meeting <https://bit.ly/49nE1tY>
- February 5, 2024 – Ucore Welcomes Canadian Government Officials to its Kingston Ontario CDF for an NRCan Funding Announcement <https://bit.ly/495cTA3>
- February 5, 2024 – Nano One Provides Shareholder Update with Key Objectives for 2024 <https://bit.ly/49mNgut>

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# Global Winds: Opening the Door for a New Middle Eastern Hegemon

written by Melissa (Mel) Sanderson | March 12, 2024

Sometimes when the wind changes direction we notice, especially if the change is sudden or sharp. More subtle changes often go unnoticed.

The same can be said for the winds of global politics. Sometimes the shift is unmissable – Arch Dukes are assassinated, countries are invaded, atomic bombs are dropped – but sometimes it largely goes unnoticed save by the savvy.

The late 1960s and early 1970s were tumultuous in the Middle East, with conflicts ranging from the 6 Day War to the Yom Kippur War drawing the US ever closer to Israel while seeking ways to broker a cessation or at least diminution of hostilities. During this period the Kingdom of Saudi Arabia began increasing its hold over Aramco (a joint US-Saudi oil extraction company) and by 1976 Saudi was the sole owner of one of the world's largest oil companies. Among other consequential developments that ensued was the establishment of OPEC and the rise of the so-called petrodollar. Taken together, a significant change to the global winds of power which elevated Saudi Arabia's economic standing and changed its future.

A similar global shift appears to be happening now, in the area of critical materials vital to "greening" various (largely Western) economies, especially the US. And once again, the Kingdom of Saudi Arabia, this time under the skillful direction of Crown Prince Mohammed bin Salman, is causing the winds of change to blow and challenge not only the West but the East as well.

Recently ([January 25, 2024](#)), Saudi Arabia joined the so-called BRICS, an organization founded by China and Brazil in 2006 with fellow members Russia and India. South Africa joined in 2010, and in 2023 Egypt, Ethiopia, Iran, the United Arab Emirates (UAE), and Saudi Arabia were invited to join with membership effective in January 2024. The group's purpose as defined at its founding is to bring together the world's most important developing countries to challenge the political and economic power of the wealthier nations of North America and Western

Europe. The inclusion of Iran evidently gave Saudi pause but the Kingdom appears to have agreed to join, reportedly at the urging of China.

Adroitly balancing that decision, the Prince recently signed an agreement expanding long-standing cooperation with Japan's Sumitomo Corp. to develop the Kingdom's critical minerals resources from mining to processing, working together with Aramco, which is gradually transforming from petroleum to a mining company, in accordance with the Prince's Saudi Vision 2030. Sumitomo already was working with various elements of the Saudi political and business community on projects ranging from reducing the "heat island" effect in Saudi's financial district to building "smart cities" of the future. The latest MOU also provides for cooperation in developing new industries in Saudi, including steel, semiconductors, and AI-enabled technologies.

The [Public Investment Fund](#) (PIF) overseen by the Crown Prince is the financial vehicle for realizing the Saudi Vision 2030. Per its website, it already has created 93 portfolio companies across 13 key sectors and has over \$700 billion in assets under management. The most recent example of a PIF-funded company is "Alat," announced on February 1 by Crown Prince Mohammed bin Salman who will personally lead its efforts within seven main strategic business units – advanced industries, semiconductors, smart appliances, smart health, smart devices, smart building and next-generation infrastructure – to support development of Saudi Arabia as a worldwide center for sustainable technology manufacturing with an emphasis on electronics.

Such an ambitious agenda will demand more resources than Saudi itself can provide as critical minerals feedstock, and therefore the Kingdom is emerging as a key player in the latest "scramble for Africa," particularly in the DRC (Democratic Republic of the Congo), where its ambitions may run afoul of China's.

Saudi Arabia has signed two agreements recently with the DRC, one an MOU covering general economic cooperation and development, the other specific to the mining industry with a special emphasis on critical minerals, which the DRC has in abundance, ranging from lithium, nickel, and cobalt to copper and rare earths. Among other things, Saudi has said it will build processing capacity in Congo and also assist in developing national infrastructure.

In short, while the US and other Western nations continue debating how to secure the necessary elements to transform their economies, the Crown Prince of Saudi Arabia appears to be leading his nation boldly into a future in which Saudi could be a dominant player – perhaps even more as China’s resources begin to be depleted after decades of mining, opening the door for a new Middle Eastern hegemon.

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## **Empowering Canadian Resource Exploration: The Strategic Role of Flow-Through Shares, and the Power of PDAC**

written by Tracy Weslosky | March 12, 2024

In a recent [interview](#) we did with Jeff Killeen, the Director of Policy and Programs at the [Prospectors & Developers Association of Canada](#) (PDAC), Jeff shed light on the PDAC’s role beyond organizing its annual convention. Scheduled for March 3 – 6 in Toronto, the [PDAC 2024 Convention](#) is a significant event.

However, PDAC's involvement in the industry goes further. They engage in continuous advocacy, working closely with provincial and federal governments to shape policies and strategies that address the challenges and opportunities within the mineral exploration and mining sector, such as the critical minerals flow-through programs.

In my quest for information, I discovered that the Prospectors & Developers Association of Canada (PDAC) boasts a distinguished history since its founding in 1932. It has emerged as the foremost representative of Canada's mineral exploration and development sector, a sector that employs over 664,000 people and contributed an impressive \$132 billion to Canada's GDP in 2021, according to my online research. PDAC is celebrated for its annual convention and trade show in Toronto, which draws approximately 25,000 participants from over 130 countries. Since its inception, the event has expanded in size, prestige, and impact, establishing itself as the global leading convention for individuals, companies, and organizations involved in mineral exploration.

Curious about continuing education on the benefits of flow-through shares, I delved further into the subject. Here's what my research\* revealed.

### **Flow-Through Shares: Enhancing Canadian Resource Exploration**

Flow-Through Shares (FTS) are a pivotal instrument in the Canadian resource sector, designed to stimulate investment in exploration activities across the nation. This innovative financial tool allows public companies to transfer certain exploration expenditures to investors, who can then claim a tax deduction equal to the amount invested. This mechanism not only fosters exploration on Canadian soil but also significantly contributes to the funds raised on Canadian stock exchanges for

exploration purposes.

## **The Essence of Flow-Through Shares**

At its core, a flow-through share is a type of common share that offers initial purchasers considerable tax advantages. These advantages are a cornerstone of the flow-through share regime, which has been instrumental in driving exploration activities within Canada. By allowing investors to earn deductions and credits against their taxable income, FTS financing has become a major contributor to exploration funding, accounting for over 65% of the funds raised for this purpose on Canadian stock exchanges from 2011 to 2019. deduct the full amount of their investment against their taxable income, FTS financing has become a major contributor to exploration funding, accounting for over 65% of the funds raised for this purpose on Canadian stock exchanges from 2011 to 2019.

## **Financial Implications and Tax Benefits**

The appeal of FTS lies in the tangible tax benefits it provides to investors. The maximum combined federal and provincial tax rate can reach up to 53.53%, with the federal rate at 33% and the provincial rate varying up to 20.53%. The Mineral Exploration Tax Credit (METC) further enhances the value of these investments, offering a 15% federal credit and a 5% provincial METC rate. These credits and deductions significantly reduce the net cost of investment, making FTS a highly attractive option for those looking to invest in Canada's exploration sector.

## **Provincial Incentives: A Closer Look**

Different provinces offer varying levels of additional incentives through provincial tax credits, which further reduce the net cost to the investor. Ontario provides a 5% METC rate,

while Saskatchewan offers 10%, British Columbia 20%, and Manitoba an impressive 30%. These provincial incentives, combined with federal benefits, underscore the strategic importance of FTS in promoting resource exploration across Canada. The calculation of the net cost of a flow-through share investment illustrates the substantial tax savings available. It's important to note that while federal tax credits can be carried back or forward, creating flexibility in tax planning, the capital gains on these investments are calculated based on a nil purchase price, affecting the taxation of any eventual sale of the shares.

### **Conclusion: Strategic Investment for Future Exploration**

Flow-Through Shares stand as a testament to Canada's innovative approach to financing exploration activities. By providing significant tax incentives, FTS not only make exploration ventures more financially viable for companies but also offer attractive investment opportunities. As Canada continues to explore and develop its natural resources, FTS will undoubtedly play a crucial role in financing these critical activities, underpinning the country's resource sector and contributing to its economic growth.

(\* ) The writer utilized sources from the following links, which I encourage you to visit. Also, the writer is neither an investment advisor nor an accountant and is not licensed to offer investment advice. This article was written as an educational piece only.

FTS Information sources include:

[Mining Tax Canada](#)

[How the flow-through share \(FTS\) program works – Canada.ca](#)

[Canada Revenue Agency – Flow-Through Shares](#)

[PDAC – Access to Capital, Flow-Through Shares](#)

# Technology Metals Report (02.02.2024): Rumors between MP and Lynas, Tesla EV Recall – the Rightsizing of Critical Minerals Begins?

written by Tracy Weslosky | March 12, 2024

Welcome to the latest Technology Metals Report (TMR), where we highlight the Top 10 news stories that members of the [Critical Minerals Institute](#) (CMI) have forwarded to us over the last 2 weeks.

In early 2024, the rare earths sector is witnessing significant strategic movements amidst a backdrop of declining prices and geopolitical tensions. Lynas Rare Earths Ltd. and MP Materials Corp., key players outside China, are rumored to be considering a mega-merger in response to falling rare earth prices and to mitigate the impact of Chinese trade restrictions. This potential consolidation aims to strengthen their production capabilities and align with the Australian and US governments' efforts to reduce reliance on Chinese supplies, particularly for defense applications.

CMI's Jack Lifton comments, "In the swirling rumors of a mega-merger between MP Materials and Lynas Rare Earths, it's clear

that the OEM industry's disdain for single sourcing of critical materials is being overlooked. Litinski is eager to deploy his capital before it devalues, while Lacaze eyes a boost in share price ahead of her retirement. This scenario is akin to two veterans of the trade, unadorned and stark, facing the harsh daylight. Both MP and Lynas are in a precarious position, each with a singular customer and seemingly devoid of new strategies to navigate the market's tumultuous waters."

Concurrently, the industry is adjusting to market corrections, as highlighted by the Critical Minerals Institute's [observations](#) on the electric vehicle (EV) materials market, indicating a shift towards efficiency and cost management. Meanwhile, initiatives like Controlled Thermal Resources Holdings Inc.'s funding quest for its lithium brine project and [Appia Rare Earths & Uranium Corp.](#)'s (CSE: API | OTCQX: APAAF) exploration successes underscore the ongoing diversification and expansion within the critical minerals domain. These developments reflect a broader industry trend towards securing resilient supply chains for critical minerals amidst fluctuating market dynamics and geopolitical pressures.

Also breaking news today, Tesla Inc.: The EV maker [is recalling](#) 2.2 million vehicles, or nearly all of its electric vehicles in the United States, due to incorrect font size on warning lights, which increases the risk of a crash, the National Highway Traffic Safety Administration (NHTSA) said. This is more than the 2.03 million vehicles it recalled in the United States two months back, its biggest-ever such move at the time, to install new safeguards in its Autopilot advanced driver-assistance system. The latest recall includes vehicles across Tesla's various models, including the Model S, Model X, 2017-2023 Model 3, Model Y, and 2024 Cybertruck vehicles, the NHTSA said. Separately, U.S. safety regulators said they have upgraded their probe into Tesla vehicles over power steering loss to an

engineering analysis – a required step before they could potentially demand a recall.

**Lynas linked to rare earths mega-merger as price falls bite (February 2, 2024, [Source](#))** – Amid a sharp decline in rare earths prices and concerns over Chinese trade restrictions, there are speculations that [Lynas Rare Earths Ltd.](#) (ASX: LYC) may be considering a merger with its New York-listed rival, [MP Materials Corp.](#) (NYSE: MP). Industry insiders suggest that the two companies, both leading non-China producers of essential rare earth materials used in defense and various industries, could be in talks to create a mega-merger. The exact details of the deal are unclear, given the current slump in rare earth prices and Western concerns about China's dominant position in the supply chain. However, a potential merger between Lynas, based in Western Australia and Malaysia, and MP, operating in California's Mountain Pass, aligns with efforts by the Australian and US governments to strengthen collaboration between their resource companies for critical minerals extraction and processing, reducing dependency on China. Both Lynas and MP have suffered significant stock price declines, and a merger could help them bolster production capabilities and meet growing demands, particularly from the US Department of Defense, which aims to reduce reliance on Chinese supplies. *Referral, CMI Co-Chairman [Jack Lifton](#)*

**Critical Minerals “rightsizing” in reaction to governments' efforts to regulate market (February 1, 2024, [Source](#))** – The critical minerals industry is undergoing significant changes in the electric vehicle (EV) materials market. Jack Lifton, Co-Chairman of the [Critical Minerals Institute](#) (CMI), views recent price declines in key EV component materials as a natural market correction rather than a disaster, emphasizing minimal regulatory intervention. Declining profits for industry leaders, including China Northern Rare Earth, result from overestimated

EV demand, economic factors, and falling sales, especially in California. Lifton advises investors to focus on efficient, low-cost producers, particularly in neodymium. The January [2024 CMI Report](#) notes the U.S. government's plan to ban Pentagon battery purchases from major Chinese companies and hints at potential recovery in lithium prices. Lynas Rare Earths' revenue drop reflects market trends but also strategic capacity expansion. In summary, the industry faces short-term challenges but underscores the importance of efficiency, cost management, and adaptability for long-term success. *Source, [Investor.News](#)*

**GM, Stellantis-Backed Lithium Startup Seeks More Than \$1 Billion for Brine Project (February 1, 2024, [Source](#))** – Controlled Thermal Resources Holdings Inc., (CTR) a US lithium startup backed by Stellantis N.V. (NYSE: STLA) and General Motors (NYSE: GM), seeks over \$1 billion in funding for its California lithium brine project. This initiative defies the industry's 80% drop in lithium prices since late 2022. CTR's unconventional approach focuses on geothermal brine deposits, seen as a potential future lithium supply source once technology challenges are overcome. This aligns with US government efforts to establish a domestic EV commodity supply chain. The funding plan includes equity and debt financing, with Goldman Sachs as the lead bank. Stellantis and GM have previously invested significantly in CTR to secure lithium for EV production. *Referral, CMI Co-Chairman [Jack Lifton](#)*

**Attention set on rare earths in Canada and Brazil, Appia hits 2024 running (January 31, 2024, [Source](#))** – [Appia Rare Earths & Uranium Corp.](#) (CSE: API | OTCQX: APAAF) is focusing on its rare earths projects in Canada and Brazil: the Alces Lake Project and the PCH Ionic Clay Project. The Alces Lake Project in Canada is recognized for its high-grade rare earths and gallium in monazite ore. Recent drill results have shown up to 1.57 wt.% Total Rare Earth Oxides (TREO) with mineralization extending to a depth of < 85 meters. In Brazil, the PCH Project offers a

simplified extraction process for rare earths essential for electric motor magnets in most EVs. Hole RC-063 reported a total weighted average of 3.87% TREO. Appia's expansion of mining claims and plans for a Maiden Resource in Q1, 2024, signal their commitment to these projects, with a market cap of C\$27 million suggesting a potentially significant year ahead in 2024. *Source, [Investor.News](#)*

**China EVs: lithium producers Ganfeng, Tianqi issue profit warnings, blame price plunge for battery material as stocks sink (January 31, 2024, [Source](#))** – Chinese lithium producers Ganfeng Lithium and Tianqi Lithium have issued profit warnings, attributing their declining profits to a significant drop in lithium prices. Ganfeng expects its 2023 net profit to plummet by 70-80% to between 4.2 billion yuan and 6.2 billion yuan. After accounting for non-recurring items, net profit will range from 2.3 billion yuan to 3.4 billion yuan, down 83-88.5% from 2022 levels. Tianqi anticipates a net profit decline of 62.9-72.6% to 6.62 billion yuan – 8.95 billion yuan. Both companies attribute their struggles to the cyclical nature of the lithium industry and declining lithium prices. The average price of China-produced lithium hydroxide exported to South Korea fell by 45% last month. While electric vehicle sales are still growing, the rate has slowed, impacting lithium demand. However, global lithium demand is expected to rise by 27% this year, with a surplus expected before a deficit in 2026. *Referral, CMI Co-Chairman [Jack Lifton](#)*

**Mining analyst-turned-Vital Metals CEO eyes much larger Nechalacho reboot (January 29, 2024, [Source](#))** – Geordie Mark, CEO of Vital Metals Limited (ASX: VML), aims to revamp the Nechalacho rare earths project in the Northwest Territories, leveraging 15 years of experience as a mining analyst. Recognizing the growing demand for rare earth elements in the technology and electric vehicle (EV) markets, Mark plans to

shift Vital's strategy towards a bulk tonnage operation targeting lighter rare earths like praseodymium and neodymium. This comes after the failure of the company's processing division and a Chinese investment lifeline in 2023. A comprehensive scoping study is crucial for long-term viability, and Mark expects demand for praseodymium and neodymium to rise significantly in the next decade, particularly in China and Europe. Shenghe Resources' investment provides vital capital for Nechalacho's development, positioning it to compete with North America's only rare earths mine, [MP Materials Corp.](#)'s (NYSE: MP) Mountain Pass operation. *Referral, CMI Co-Chairman [Jack Lifton](#)*

**The Critical Minerals Institute Report (01.25.2024): U.S. government bans Pentagon battery purchases from major Chinese companies starting October 2027 (January 25, 2024, [Source](#))** – The January 2024 Critical Minerals Institute (CMI) report highlighted key economic and geopolitical developments. U.S. inflation in December 2023 impacted interest rate reduction plans, while the S&P 500 rose by 2.04% year-to-date. China's economy slowed, with falling home prices, and global tensions persisted. In the global electric vehicle (EV) market, December 2023 set a record for plugin electric car sales, led by China. However, the EV sector's growth rate slowed compared to previous years. The U.S. reported a surge in EV sales and enacted Zero Emission Vehicle mandates to boost adoption. In the EV battery sector, the U.S. government announced a ban on Pentagon battery purchases from major Chinese companies, starting October 2027. Challenges in the critical minerals sector included depressed prices due to oversupply and slowing EV market growth. Recovery in lithium prices was anticipated in late Q1 or early Q2 2024. The report emphasized a negative supply response from producers and expected a potential recovery in the second half of 2024, assuming reasonable EV sales growth. *Source, [Investor.News](#)*

**Tesla Projects Slower Growth in 2024 as EV Demand Softens**

**(January 24, 2024, [Source](#))** – Tesla Inc. (NASDAQ: TSLA) anticipates slower growth in 2024 amid a challenging landscape for the electric vehicle (EV) industry. CEO Elon Musk desires greater control, aiming for a 25% ownership stake to deter activist shareholders. This follows Musk's ultimatum to shift focus to AI and robotics if control isn't achieved. Tesla faces declining demand, shrinking profit margins, heightened competition, and recent price cuts. Despite doubling fourth-quarter net income to \$7.9 billion, costs for projects like the Cybertruck and AI research impact profitability. Tesla's valuation, historically tied to sales and Musk's vision, faces uncertainty. Challenges include Hertz selling EVs and Chinese automakers [overtaking Tesla](#). EV enthusiasm wanes due to pricing, charging concerns, and range limitations. Tesla plans cost reduction for future vehicles but encounters short-term cost pressures. Despite this, strong Cybertruck demand is expected, with production scaling up gradually. *Referral, CMI Director, [Alastair Neill](#)*

**Rare-earths miner Lynas' Q2 revenue halves on falling prices, lower China demand (January 24, 2024, [Source](#))** – Australia's Lynas Rare Earths reported a significant drop in its second-quarter revenue, falling by 51.7% to A\$112.5 million due to plummeting rare earth prices and reduced demand in China, particularly in the appliance sector amid a construction slowdown. This decline in revenue, which missed analysts' forecasts, led to a 30-month low in its share prices. Despite this downturn, Lynas has continued to expand its operations, including the near-completion of its Kalgoorlie processing plant in Australia, upgrades to its Malaysian facilities, and ongoing work at the Mt Weld mine. The company, a major supplier outside China, has also been working on a new facility in Texas to serve the U.S. Department of Defense. Despite these efforts, Lynas' challenges are compounded by the lower average selling price of

its products, which has more than halved compared to last year. Referral, CMI Director, [Russell Fryer](#)

**Investors turn to copper, gold and uranium amid battery metals rout (January 24, 2024, [Source](#))** – In 2024, investors are shifting their focus away from battery metals, such as nickel and lithium, due to significant price declines. Instead, they are turning to commodities like copper, gold, and uranium. Copper prices have rebounded following supply shortages and disruptions in production by key global producers. Gold is experiencing renewed interest, driven by geopolitical crises and a weakening US dollar, with forecasts predicting it to trade above \$2,000 per ounce in the coming year. Uranium has gained substantial momentum, reaching decade-high prices, driven by limited supply and increased demand for nuclear energy in Western countries. Investors are diversifying their portfolios, seeking better prospects in these alternative commodities. Referral, CMI Director, [Russell Fryer](#)

**China, in comic strip, warns of ‘overseas’ threats to its rare earths (January 22, 2024, [Source](#))** – China’s State Security Ministry released a comic strip on social media, depicting foreign threats to its rare earth resources. The narrative shows security officers uncovering covert operations by foreign-looking characters, suggesting overseas interest in China’s strategic minerals. China, the leading producer of rare earths essential for high-tech industries, has imposed [export restrictions](#) on these elements and related technologies, citing national security. The move has heightened tensions, particularly with the United States, amidst accusations of economic coercion. The comic underscores the importance of safeguarding these resources against international competition and espionage. The state-controlled Global Times highlighted the story, reflecting on the global race for rare earths, vital in military, consumer electronics, and renewable energy sectors, as

a national security issue. Referral, CMI Director, [Alastair Neill](#)

**Tanzanian, Canadian firms to search for rare metal (January 22, 2024, [Source](#))** – Tanzanian firm Memnon Project Management Services Company Limited and Canadian company Anibesa Energy Metals Corp. are set to collaborate in prospecting for niobium in Mbozi District, Songwe Region, with an anticipated investment of up to \$50 million. They have obtained regulatory approvals and are finalizing the acquisition of three licenses for niobium minerals, while three more geologists are expected to join the exploration team. Memnon Project Management Services is involved in various projects, including the Kongwa Lithium Project and solar energy initiatives. Niobium, a rare metal, enhances the strength of alloys and is used in various industries, including aerospace and construction. As of 2022, Brazil held the largest niobium reserves globally. The partnership aligns with Tanzania’s goal of attracting international companies to boost the mining industry by focusing on valuable critical metals projects. Referral, CMI Director, [Alastair Neill](#)

#### **Investor.News Critical Minerals Media Coverage:**

- February 01, 2024 – Critical Minerals “rightsizing” in reaction to governments’ efforts to regulate market <https://bit.ly/49f78zC>
- January 31, 2024 – Attention set on rare earths in Canada and Brazil, Appia hits 2024 running <https://bit.ly/3ueaxjg>
- January 25, 2024 – The Critical Minerals Institute Report (01.25.2024): U.S. government bans Pentagon battery purchases from major Chinese companies starting October 2027 <https://bit.ly/4961zU0>
- January 22, 2024 – Unveiling Insights from Ecclestone on the Future of Mining and Investment from Riyadh’s Future Minerals Forum Event <https://bit.ly/491pV0S>

## Critical Minerals IN8.Pro Member News Releases:

- February 2, 2024 – Appia Announces Plans for Drilling at the Loranger Uranium-Bearing Property, Saskatchewan, Canada <https://bit.ly/3Uphb0s>
- February 1, 2024 – Obonga: Wishbone Exploration Permit Application <https://bit.ly/3UlnF0j>
- February 1, 2024 – First Phosphate to Provide Project Update to the Federation of Chambers of Commerce of the Saguenay-Lac-Saint-Jean Region of Quebec, Canada <https://bit.ly/42ugvt1>
- January 31, 2024 – Defense Metals Announces Closing of its \$738,836 Non-Brokered Private Placement <https://bit.ly/3umNv9S>
- January 31, 2024 – First Phosphate Announces Launch of 25,000 m Drill Campaign at its Bégin-Lamarche Project <https://bit.ly/3SmPtPD>
- January 30, 2024 – Ucore Announces Closing of Debenture Offering <https://bit.ly/3SHT1xa>
- January 30, 2024 – Western Uranium & Vanadium Bolsters Mining Team to Scale-Up Uranium Production <https://bit.ly/47UTIHZ>
- January 30, 2024 – F3 Hits 2.05m Off Scale >65,535 CPS in First Hole of Winter Program at JR Zone <https://bit.ly/3SCxru9>
- January 29, 2024 – First Phosphate Confirms Two Additional New High-Grade Discoveries at Bégin-Lamarche Property and up to 39.45% P2O5 at Larouche <https://bit.ly/30lGWew>
- January 29, 2024 – American Rare Earths Quarterly Activities Report for the Period Ending 31 December 2023 <https://bit.ly/3SB00eM>
- January 29, 2024 – Australian Strategic Materials Quarterly Activities Report to 31 December 2023 <https://bit.ly/3UdGXVK>

- January 26, 2024 – Appia Rare Earths & Uranium Corp. Announces New Cooperation Agreement with the Ya'thi Néné Lands and Resources Office <https://bit.ly/30ke4TU>
- January 25, 2024 – First Phosphate, American Battery Factory and Integrals Power Sign MOU to Produce LFP Cathode Active Material and Battery Cells in North America <https://bit.ly/48MnCiU>
- January 23, 2024 – F3 Announces Commencement of Drilling at PLN <https://bit.ly/3Uc6C0o>
- January 23, 2024 – Power Nickel Announces Filing of Amended Technical Report <https://bit.ly/3HvYPUd>
- January 23, 2024 – First Phosphate Corp. Welcomes the Addition of Apatite (Phosphate) to the Critical and Strategic Minerals List of Quebec, Canada <https://bit.ly/48Pv7Wf>
- January 22, 2024 – First Phosphate Announces Closing of the Third and Final Tranche of Oversubscribed Private Placement Financing for Total Gross Proceeds of \$8.2 Million <https://bit.ly/3U5Vl2l>
- January 22, 2024 – Elcora Develops Innovative Process To Extract Vanadium From Its Moroccan Vanadinite Deposit <https://bit.ly/3Hu8Zon>
- January 22, 2024 – American Rare Earths Announces Breakthrough Metallurgical Results <https://bit.ly/3096trp>
- January 22, 2024 – F3 Expands PLN Project with Acquisition of PW Property from CanAlaska <https://bit.ly/3vKBMTb>