

Former Secretary of State Mike Pompeo Joins USA Rare Earth to Bolster Rare Earths Supply Chain Goals

written by Jack Lifton | February 10, 2023

In a dramatic affirmation/recognition of the interest of the US Federal Government in the creation of a domestic American total rare earth permanent magnet supply chain, [USA Rare Earth LLC](#), a private company, [announced](#) yesterday that former Secretary of State and, before that, CIA Director, Mike Pompeo has joined the company as a “strategic advisor.” USA Rare Earth is developing a total rare earth permanent magnet supply chain, anchored on a mineral deposit in Texas, over which it has acquired control from Texas Mineral Resources Corp. (OTCQB: TMRC).

After graduating from the United States Military Academy (West Point) in 1986 and serving in the active military for 5 years, Mr. Pompeo left the army, as a captain, and enrolled in Harvard Law School, from which he graduated and then went to work as a lawyer in Washington, D.C. After that role, he created first an aerospace components manufacturing group and then one to supply the oilfield industry. A successful sale of those ventures was followed by his entry into politics. He was elected to the U.S. House of Representatives from Kansas from 2011 to 2017. He was first appointed to head the CIA by President Trump, and then to the post of Secretary of State.

I don't think that there is an American better qualified to lead a critical minerals company through the labyrinths of the US Federal Government, the Department of Defense, and the industrial rare-earth-enabled components industry than Mr.

Pompeo, who, in traditional Washington-speak, is referred to as “Secretary Pompeo” and is well known and well regarded among all three of the above-mentioned groups.

USA Rare Earth has the only fully equipped rare earth permanent magnet manufacturing site in America today in Stillwater, Oklahoma. It is not yet operational or staffed. The company’s challenge will be to first produce or obtain the rare earth metals, alloys, and magnetic powder feedstocks to supply that plant.

If those hurdles are overcome then USA Rare Earth will be the first, or among the first, rare earth permanent magnet manufacturers in the US in a generation.

Even, if operationally successful, the Company will still need to obtain purchase orders for the magnets.

I doubt that USA Rare Earth could have found a better door opener to both the military and civilian rare earth permanent magnet markets than Secretary Pompeo.

The Navajo Nation shows the mining industry how ‘Hozro’ is the only path forward.

written by Melissa (Mel) Sanderson | February 10, 2023

There is a word in the Navajo language, in English written as: “hozro.” This one word encapsulates an important philosophy for the Navajo people, as it translates to mean putting oneself in

harmony with one's surroundings. "Hozro" has helped the Navajo, one of the largest Tribes in the US, to coexist more harmoniously than many other Tribes with the dominant White culture. The Navajo reservation is the largest in the US and hosts many natural resources essential to the economic development of the country.

These resources have not always been developed either harmoniously, respectfully or conscientiously by companies. Uranium mining on the Navajo reservation remains a disgraceful episode in US history, with radioactive contamination of essential water sources and soil and associated human sickness and death still a reality, not a memory, for many Navajo families. As a consequence, many Navajo are adamantly opposed to new uranium mining anywhere on or near the reservation.

Despite this, coal mining has a much more successful history with the Navajo. Until 2019, when the Navajo Generating Plant closed, many Navajo worked both at the coal mine feeding the Plant and in the Plant itself for 45 years. The Navajo Nation initially attempted to purchase just the coal mine, but then pivoted to a much more ambitious vision, establishing the Navajo Transitional Energy Company (NTEC). NTEC's website states its mission is: to be a reliable, safe producer of coal, while diversifying the Navajo Nation's energy resources to create economic sustainability for the Nation and the Navajo People.

One visible effort by the company is the large solar panel array near Kayenta on the reservation.

Less visible efforts include building a mining portfolio, until recently heavily focused on coal. NTEC owns and operates the Antelope and Cordero Rojo coal mines in Wyoming, Spring Creek in Montana, and Navajo Mine in New Mexico (the latter located on the reservation). Utilizing its multi-generational mining expertise, NTEC has built a sound operational foundation and

increasingly is being recognized for its efforts. In November of this year, the National Mining Association, in conjunction with the Department of the Interior's Office of Surface Mining Reclamation and Enforcement recognized NTEC with two awards, for Mine Safety and for Stewardship of National Resources through Reclamation.

But while building on its strengths NTEC also kept an eye on its mission to develop sustainable energy sources. In 2019 NTEC took an investment position in both [Texas Mineral Resources Corp.](#) (OTCQB: TMRC) and its USA Rare Earth project in Round Top Texas. More recently, NTEC has entered a more active partnership with Arizona Lithium Limited (ASX: AZL | OTCQB: AZLAF) to develop the Big Sandy lithium project near Wikieup, Arizona. This latest agreement may pose potential difficulties for NTEC, however.

NTEC's December 5 [announcement](#) of the strategic alliance states that "NTEC has committed to lead the operational development of Big Sandy, which will include everything from Bureau of Land Management (BLM) project permitting, mine design, drilling environmental assessments, and construction and contract mining operations. The agreement provides for AZL and NTEC to commence work towards development of the Big Sandy project while at the same time continuing due diligence and negotiation of a definitive agreement."

The announcement goes on to say that when NTEC meets certain mining development milestones with respect to Big Sandy, it (NTEC) will receive remuneration in cash or AZL shares and options to purchase additional ordinary shares. Importantly, the announcement notes that "NTEC understands the cultural significance of the land near the mining site. The company plans to work with the Navajo Nation and other Indian Nations to ensure the development at Big Sandy prioritizes appropriate cultural and environmental safeguards throughout the process."

This latter statement appears to be a reference to the opposition of the Hualapai Nation to the Big Sandy project, which abuts the Hualapai lands in one area but does not lie within the Hualapai reservation. A December 15 interview on KNAU News Talk noted that “In April of 2021, the Hualapai Tribal Council passed a resolution strongly objecting to the proposed mining claim area, citing devastating impacts to significant cultural and spiritual resources.” Likewise, the Environmental Justice Atlas registers the Hualapai opposition, with the Hualapai claiming that exploratory drilling has affected a sacred spring on their land. According to the Atlas, the project also faces opposition from some residents of nearby Wikieup, Arizona.

It would appear that the Navajo, as part of the strategic agreement with AZL, may be about to become entangled in trying to resolve a pre-existing conflict between AZL and the Hualapai. If so, this could pose problems for not only the two Tribes but also BLM and the broader Department of the Interior, whose permitting processes require it to take into account objections from Native peoples to mining projects. BLM also is supposed to give priority to critical materials projects, including lithium, which is essential to the development of the electric vehicle industry, a growing component of the Arizona economy.

Kudos to the Navajo Nation for focusing on cooperation instead of conflict, and for taking the standard model of indigenous involvement in mining to new and more lucrative levels. In this particular case, let us see if “hozro” can prevail.

Jack Lifton, Peter Clausi with Pini Althaus on the need for collaboration in the rare earths market

written by InvestorNews | February 10, 2023

The Technology Metals Show hosts Jack Lifton and Peter Clausi talk to Pini Althaus, CEO and Director of [USA Rare Earth, LLC](#) about the challenges in the North American rare earths supply chain and the need for collaboration in the industry.

In this promo clip from the full interview available exclusively to [subscribers](#) of the [Technology Metals Show](#), the panel discusses the Round Top Heavy Rare Earth and Critical Minerals Project in which USA Rare Earth has an option to earn and acquire an 80% interest from Texas Mineral Resources Corp. (OTCQB: TMRC). Pini discussed that the Round Top Deposit hosts 16 of the 17 rare earths with a high concentration of heavy rare earths, plus a significant amount of lithium. "We are projected to be the second-largest lithium producer in the US," He said.

To access the complete interview [subscribe](#) to the [Technology Metals Show](#) and get exclusive access to member-only content through this exclusive site. Or [Log-In Here](#) for the latest conversations, debates, updates and interviews with the leaders, thought leaders and investors focused on issues relating to sustainability in the critical materials sector.

For more information on the [Technology Metals Show](#) email us at info@technologymetals.com or reach us direct at +1 (416) 546-9233.

As Chinese rare earths' stock prices rally, pressure rises for the rest of the world...

written by InvestorNews | February 10, 2023

Rising [US-China tension](#) has resulted in some rare earths' stock prices rising sharply, particularly those in China. Given the recent US moves to introduce [critical materials legislation](#) it seems likely that the non-Chinese rare earth stocks will also rally strongly this year, particularly if the new bills and financial support are passed.

Let's start with a recap of the recent US support highlights for rare earths:

- May 18, 2018 – The US declared a [list of 35 critical materials](#). A large part of the list includes rare earths.
- May 2, 2019 – U.S. Sen. Lisa Murkowski and others submitted the [American Mineral Security Act](#)
- In mid May, 2020, Senator Ted Cruz submitted the [Onshoring Rare Earths Act – the 'ORE Act'](#)
- On May 28, 2020 US Representative Michael Waltz submitted the [American Critical Mineral Exploration and Innovation Act of 2020](#)

The ORE Act focuses on six critical materials – **Rare earths**, scandium, lithium, cobalt, graphite, and manganese. The Critical Mineral Exploration and Innovation Act directs the U.S.G.S. to complete updated resource assessments for each critical mineral. It has been reported that there will be a focus on **rare earths**

and other so-called strategic minerals.

Then just last week rare earths expert and [Technology Metals Show](#) host Jack Lifton [stated exclusively to InvestorIntel](#): “The US Defense Department has announced last week that it will seek \$1.7 billion for rare earths purchases in the 2021 National Defense Authorization Act that means the budget for fiscal 2021. In addition they will ask for another \$300 million (**a total of \$2 billion**), for rare earths for specialized weapons which they name as hypersonic missiles...”

Given all of the above proposed support to the rare earths sector, it is abundantly clear that the US is now finally moving rapidly to secure critical rare earths supply, particularly from US deposits, where possible. Current rare earths producers and listed rare earths stocks stand to be beneficiaries. Especially if they have US rare earths projects, but quite likely any non-Chinese rare earth juniors that can achieve funding and production should find very strong western demand for their products. Most of the western world is now looking to diversify their supply chains especially after the trade war and COVID-19 problems of the past 2 years.

Some rare earth miners with US projects include:

- MP Materials (private)
- Rare Element Resources Ltd. (OTCQB: REEMF)
- Texas Mineral Resources Corp. (OTCQB: TMRC)
- Ucore Rare Metals Inc. (TSXV: UCU | OTCQX: UURAF)

Some miners with US rare earth processing potential include:

- [Energy Fuels Inc.](#) (NYSE: UUUU | TSX: EFR) recently [stated](#) their White Mesa Mill in the USA could be used in future for rare earths processing.
- Lynas Corporation (ASX: LYC) has received US support for a

planned US rare earths processing facility.

- Peak Resources (ASX: PEK) plan to have a US rare earths processing facility.

Some rare earth miners with Canadian projects include:

- [Avalon Advanced Materials Inc.](#) (TSX: AVL | OTCQB: AVLNF)
- [Appia Energy Corp.](#) (CSE: API | OTCQB: APAAF)
- [Search Minerals Inc.](#) (TSXV: SMY)

Some rare earth miners with Australian projects include:

- [Alkane Resources Ltd.](#) (ASX: ALK | OTCQX: ALKEF)
- [Scandium International Mining Corp.](#) (TSX: SCY)

Rare earths are vital ingredients for modern technology



Closing remarks

The massive recent news of two new rare earth/critical materials related Acts and a proposed “US\$2 billion towards rare earths in 2021”, appears to have been somewhat missed by the market. The Chinese rare earths stocks have already bounced leaving the potential rest of the world rare earth miners to play catch up.

News flow in future months should continue to be extremely promising for the rare earths sector following on from the tremendous news from the last few weeks.

Investors should not wait too long as any further increased US-China tensions, threats of China supply loss, or passing of rare earths related Bills, will likely send non-Chinese rare earth miners stock prices higher.

TMRC's Chairman Anthony Marchese on what the US-China Trade Agreement means to the US Rare Earths Market

written by InvestorNews | February 10, 2023

"If you look at the specifics of the trade agreement (US-China Phase One Deal), the way they have listed is, all of the rare earths including scandium and yttrium because a lot of people don't consider especially yttrium a rare earth. So it is all of the rare earths and scandium and yttrium and any of the alloys. It is true that the United States currently has zero manufacturing capacity...I look at it as another potential market for our products when we get into production. Remember this is phase 1. There is going to be phase 2 and hopefully phase 3. They are committed to buying it once we get into production. We will be able to sell 100% of our goods to the American market. China then becomes a secondary market for some of our products. It gives acknowledgment to the fact that we have a potential supply chain resurgence in the United States." States Anthony Marchese, Chairman of [Texas Mineral Resources Corp.](#) (OTCQB: TMRC), in an interview with InvestorIntel's Tracy Weslosky.

Anthony went on to say that Texas Mineral Resources is developing the Round Top Heavy Rare Earth and Critical Minerals Project in Texas with its funding and development partner, USA Rare Earth LLC. The Round Top Project has the optimal infrastructure to move materials to other parts of the country as it is very close to Interstate Highway 10 and a major

railroad. The project is located on State property and not on Federal property which is a huge advantage for the company. Anthony also said that the Round Top project will provide a balanced and diversified revenue stream as a third of the output will be rare earths, another third will be critical materials like scandium and lithium and remaining will be industrial minerals.

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