

# American Rare Earths Secures EXIM Bank Support with US\$456M Letter of Interest for Wyoming Rare Earth Project

written by Tracy Hughes | September 24, 2024

In a groundbreaking development for [American Rare Earths Limited](#) (ASX: ARR | OTCQX: ARRNF | ADR: AMRRY), the [Export-Import Bank of the United States](#) (EXIM) has [issued](#) a non-binding Letter of Interest to provide up to US\$456 million in debt financing. The funds will support the construction and execution phase of the Cowboy State Mine (CSM) area at ARR's 100%-owned Halleck Creek Project in Wyoming. This financial backing marks a pivotal moment for the U.S. rare earths sector, reinforcing the country's push for a domestic supply chain amid global competition.

The financing package from EXIM will cover the entire initial capital expenditure for the Cowboy State Mine, the first stage in a multi-phased approach to developing the significant Halleck Creek rare earths deposit. As outlined in ARR's March 2024 [Scoping Study](#), this project represents a substantial opportunity for the United States to gain strategic control over rare earth resources, including key magnet metals such as neodymium (Nd) and praseodymium (Pr). These elements are critical for technologies like electric vehicles (EVs), wind turbines, and other components essential to the clean energy transition.



Pictured: Sara Stotter, Geologist, Wyoming Rare (USA) Inc. – Photo Credit: Matthew Idler Photography

## EXIM's Role in Critical Minerals: A Closer Look

EXIM, the official export credit agency of the U.S. government, has a mission that aligns with this project's objectives—bolstering U.S. exports and supporting domestic jobs. Established in 1934, EXIM helps finance U.S. goods and services exports by providing working capital, buyer financing, and export credit insurance. The bank's financing typically steps in where private sector lenders may be unwilling to take on the commercial or political risk, particularly for strategic projects that support U.S. interests.

EXIM's letter to American Rare Earths aligns with its ***Make More***

***in America Initiative***, a program designed to re-establish domestic production of critical materials and reduce dependence on foreign supply chains, especially those dominated by nations like China. Under the initiative, EXIM is empowered to provide financial assistance with a repayment term of up to 15 years. This support is particularly significant, given the bank's reauthorization in 2019, which included specific provisions for financing projects that help the U.S. compete with foreign export subsidies, especially in critical areas like rare earth elements.

Chris Gibbs, CEO and Director of American Rare Earths, underscored the importance of EXIM's involvement, stating:

*"This Letter of Interest from EXIM Bank is a significant milestone, highlighting the U.S. Government's commitment to securing a robust domestic rare earth supply chain. The Halleck Creek project is set to become a key, multi-generational resource for the U.S., and we are proud to be at the forefront of this transformative initiative."*

Wyoming Rare (USA) Inc. (WRI), a wholly owned subsidiary of ARR, received the Letter of Interest based on the expected impact on U.S. exports and job creation. While the Letter of Interest is not a final commitment, it signals the U.S. government's broader strategy to reduce dependence on foreign sources of rare earths, notably China, and to strengthen its domestic critical minerals supply chain.

## **The Strategic Importance of Halleck Creek**

Halleck Creek's JORC resource stands at an impressive 2.34 billion tonnes, containing 7.48 million tonnes of total rare earth oxides. These include neodymium and praseodymium oxides, which are vital components for modern technologies. With this

substantial resource, the project is poised to become a significant long-term asset for the U.S., ensuring the country's access to these critical materials.

As the global demand for clean energy technologies continues to rise, so does the need for rare earth elements. By securing funding from EXIM, ARR is taking a crucial step toward establishing a sustainable and strategically important supply chain for the U.S. market. The financing will not only accelerate the development of the Cowboy State Mine but also pave the way for further exploration and project expansion.

Joe Evers, President of Wyoming Rare (USA) Inc., added:

*"We are grateful for the recognition and support from EXIM Bank, which will be instrumental in securing the funding needed to fast-track the development of this important project."*

### **ARR's Leadership: Bridging Rare Earths and National Strategy**

Beyond the exciting EXIM news, American Rare Earths has a leadership team with deep experience in both the corporate and geopolitical spheres. CEO and Director Chris Gibbs and Director Melissa Sanderson are not only leading the charge at ARR but also hold significant roles at the [Critical Minerals Institute](#) (CMI), a globally recognized authority on rare earths and other critical minerals.

Later this week, CMI is set to announce Melissa 'Mel' Sanderson's appointment as Co-Chair of the CMI, alongside world-renowned expert and CMI co-founder, Jack Lifton. Sanderson's appointment reinforces the institute's focus on securing critical mineral supply chains and its influence in shaping policies and strategies to reduce reliance on foreign imports.

Melissa Sanderson's role in this project and her deep expertise

in ethical and sustainable growth bring a unique perspective to both ARR and the CMI. She has been instrumental in pushing forward the narrative of securing U.S. supply chains for rare earth elements. Her background in international diplomacy and geostrategic planning also makes her a key player in addressing the global challenges that the critical minerals sector faces today.

Adding to her impressive portfolio, Sanderson will be [speaking](#) at the prestigious [Financial Times Mining Summit](#) in London later this week. She is slated to discuss the geopolitical landscape around elections, China's role in resource ownership, and how protectionist policies may reshape global supply chains for critical minerals. This event will provide a valuable platform for Sanderson to further advocate for sustainable and strategic rare earth development.

Her session, **Geopolitical Update: Elections, China and Protectionism**, scheduled for September 26, 9:00–9:40 AM (UK time), will cover pressing issues such as:

- The impact of election campaigns in the U.S. and Europe on geopolitical tensions.
- How changes in leadership could affect green policies and mobilization of capital for critical mineral projects.
- China's shifting demand for resources as its economy transitions toward services and infrastructure.

Her participation in such a high-profile event further solidifies the connection between ARR's leadership and the global stage, highlighting the critical importance of the Halleck Creek project not just for the U.S. but for the global rare earths market.

## Conclusion

ARR's receipt of the EXIM Bank's Letter of Interest marks a monumental step forward in the development of the Cowboy State Mine at the Halleck Creek Project. The company is well-positioned to play a crucial role in the U.S. government's broader mission to secure domestic supply chains for rare earth elements. As the geopolitical landscape continues to shift, the backing of EXIM and the expertise within ARR's leadership team underscore the growing importance of rare earths in ensuring both economic security and global competitiveness.