

Technology Metals Report (02.21.2025): Nickel Smelter Crisis, U.S.-Canada Uranium Tensions, and China Tightens Control of Rare Earths

written by Tracy Hughes | February 21, 2025

Over the past week, several significant developments in the critical minerals sector have captured global attention, with key implications for both production and international trade. In Indonesia, PT Gunbuster Nickel Industry, a subsidiary of the bankrupt Jiangsu Delong Nickel Industry Co., faces the risk of [shutting down](#) its nickel smelter due to mounting financial pressures. Operational challenges, including delayed payments to energy suppliers and difficulties sourcing nickel ore, have compounded the situation. The global decline in nickel prices, along with tighter local ore supplies and government mining restrictions, have further strained operations, forcing Gunbuster to scale back production drastically. The smelter, which had planned a \$3 billion investment, has already ceased most of its production lines, threatening global nickel supply chains.

Meanwhile, tensions between the U.S. and Canada have intensified as Cameco Corp. (TSX: CCO | NYSE: CCJ), a major uranium producer, [warned](#) that proposed U.S. tariffs on Canadian uranium imports could push prices up by 10% for American buyers. The U.S. relies on Canada for 27% of its uranium supply, and with demand for contracted volumes being largely inelastic, Cameco may redirect its exports to other regions, including Central and

Eastern Europe. The move, if enacted, could jeopardize the security of America's uranium supply and disrupt energy strategies in both nations. This issue highlights the vulnerabilities in global uranium markets, as geopolitical factors continue to shape the sector.

In China, the government is tightening its control over the rare earth sector, with the Ministry of Industry and Information Technology unveiling new regulations to strengthen state oversight of mining, production quotas, and the entire supply chain, including smelting and separation processes. China, which already dominates global rare earth output, is further consolidating its control over these vital minerals, following a 2023 ban on exporting technology for rare earth magnets. These new rules will likely have significant implications for global supply, as rare earths are crucial for numerous industries, including electronics, renewable energy, and defense technologies. This move also underscores China's strategic focus on securing its position in the critical minerals market amid growing global competition.

Elsewhere, Wyloo Metals has entered exclusive negotiations with Hastings Technology Metals Ltd. to form a joint venture for the Yangibana Rare Earths and Niobium Project in Australia. The venture aims to develop key rare earths, with Wyloo holding a majority stake and serving as the project operator. This deal signals growing interest in rare earths outside of China, as countries and companies seek to diversify their supply sources. Additionally, the Democratic Republic of Congo has become a key strategic copper supplier for China, with a 71% increase in copper exports to the country in 2024, highlighting the shifting dynamics in global copper markets and the growing importance of African mining projects in securing critical resources.

CMI		Critical Minerals Institute					
Purity		21.Feb.25	Month % Change	31.Jan.25	Year to Date % Change	Year End 31.Dec.24	
99.65% fob China	ALUMINUM (Al)	\$ USD/ lb.	\$1.24	5.2%	\$1.18	6.9%	\$1.16
	ANTIMONY (Sb)	\$ USD/ tn	\$30,436	0.0%	\$30,436	0.0%	\$30,436
>99.99%	COBALT (Co)	\$ USD/ lb.	\$10.73	0.0%	\$10.73	-4.1%	\$11.19
	COPPER (Cu)	\$ USD/ lb.	\$4.32	6.8%	\$4.05	10.2%	\$3.92
	GALLIUM (Ga)	\$ USD/ lb.	\$134.2	0.0%	\$134.2	0.0%	\$134.2
	GOLD (Au)	\$ USD/ oz.	\$2,928.7	4.0%	\$2,817.1	11.6%	\$2,624.6
	NATURAL GRAPHITE North America (C)	\$ USD/ lb.	\$0.57	0.0%	\$0.57	0.0%	\$0.57
>99%	LITHIUM METAL (Li)	\$ USD/ lb.	\$4.62	-5.4%	\$4.89	-6.5%	\$4.94
>99%	PRAESODYMIUM (Pr)	\$ USD/ kg.	\$86.22	5.1%	\$82.02	9.2%	\$78.98
>99.5%	NEODYMIUM (Nd)	\$ USD/ kg.	\$80.65	8.8%	\$74.14	12.2%	\$71.90
0.999	NICKEL (Ni)	\$ USD/ lb.	\$7.00	2.6%	\$6.82	2.2%	\$6.85
	NIOBIUM PENTOXIDE (Nb ₂ O ₅)	\$ USD/ kg.	\$45.00	0.0%	\$45.00	0.0%	\$45.00
	PLATINUM (Pt)	\$ USD/ oz.	\$976.81	0.9%	\$967.98	7.7%	\$906.76
	SILVER (Ag)	\$ USD/ oz.	\$32.58	3.3%	\$31.54	12.8%	\$28.89

The critical minerals pricing chart is supplied by the CMI Partners – [MineralPrices.com](https://www.MineralPrices.com)

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China-Backed \$3 Billion Indonesia Nickel Smelter Risks Shutdown (February 20, 2025, [Source](#)) PT Gunbuster Nickel Industry in Indonesia, a subsidiary of the bankrupt Jiangsu Delong Nickel Industry Co., is on the brink of closure due to financial strains and operational challenges. The smelter has reduced its operations significantly, struggling with delayed payments to energy suppliers and difficulties in procuring nickel ore. Global nickel prices have declined sharply, exacerbating the situation, which is also affected by tight local ore supplies and government restrictions on mining quotas. Gunbuster, which once planned to invest \$3 billion in its plant, has already halted most of its production lines.

Cameco sees uranium cost jump up for US customers if Trump's tariffs go into play (February 20, 2025, [Source](#)) Cameco Corp. (TSX: CCO | NYSE: CCJ), a Canadian uranium producer, indicated that proposed 10% U.S. tariffs on Canadian uranium imports would drive up prices for American buyers by around 10%. Canada

currently supplies 27% of U.S. uranium, ahead of Australia and Kazakhstan at 22% each. Cameco executives said U.S. demand for contracted volumes is inelastic, so even non-tariffed countries could raise their offer prices. Cameco may shift to other markets, including Central and Eastern Europe. Cameco's CFO noted that these tariff threats might ultimately jeopardize the security of America's uranium supply.

China proposes new rules to tighten control over rare earth sector (February 19, 2025, [Source](#)) China released a draft of new regulations on its rare earth industry on Wednesday, seeking tighter state control. The proposals were issued by the Ministry of Industry and Information Technology for public consultation and cover production quotas, mining, smelting, separation processes, monitoring, and enforcement. China already manages rare earth output through quotas and state-owned entities and dominates approximately 90% of global refined production. The new rules follow a 2023 ban on exporting technology for rare earth magnets, expanding existing restrictions on the extraction and separation of these essential minerals.

Wyloo to form Yangibana Joint Venture with Hastings and becomes largest shareholder in Neo Performance Materials (February 19, 2025, [Source](#)) Wyloo has entered exclusive negotiations with Hastings Technology Metals Ltd. (ASX: HAS) to form an Unincorporated Joint Venture (UJV) for the Yangibana Rare Earths and Niobium Project and acquired a 19.99% equity interest in [Neo Performance Materials Inc.](#) (TSX: NEO). The deal sees Wyloo holding 60% participation and serving as manager/operator, while Hastings retains 40%. Wyloo can raise its interest to 70%. The UJV covers both Stage 1 of the Yangibana Rare Earths and Niobium Project and Stage 2 Hydrometallurgical Plant. The target date for completing the UJV agreement and related documents is March 2025, pending regulatory approval.

Russian forces advance on Ukraine's critical minerals as Trump talks of a deal (February 19, 2025, [Source](#)) Russian troops are closing in on Ukraine's Shevchenko lithium deposit as part of a broader push to secure critical mineral reserves. U.S. President Donald Trump wants Kyiv to offer extensive access to these resources in exchange for security support, a proposal President Volodymyr Zelenskyy is open to but with tougher safeguards. Russia, already controlling a significant portion of Ukraine's rare earths, is advancing from multiple directions around the deposit in Donetsk. The battle for mineral wealth is unfolding alongside discussions between Washington and Moscow on potentially ending the three-year conflict and resetting bilateral relations.

Nova Scotia bill proposes lifting uranium exploration ban (February 19, 2025, [Source](#)) Nova Scotia has introduced legislation to repeal its ban on uranium exploration and mining, but only for government-led research. The ban, in place since 1981, would remain for industry through an existing ministerial order. The measure aims to gather accurate data on uranium deposits while addressing safety concerns. Currently, Canada is the world's third-largest uranium producer, with mining primarily in northern Saskatchewan. Uranium is a recognized critical mineral nationally, but not in Nova Scotia because of the prohibition. The proposed legislation is part of broader reforms covering onshore gas, utilities, agrology, and weed control.

Japan to increase reliance on nuclear energy in post-Fukushima shift (February 18, 2025, [Source](#)) Japan has decided to increase its reliance on nuclear energy, aiming for it to account for 20% of its power supply by 2040, a significant rise from 8.5% in 2023. This policy shift, approved by the cabinet and pending parliamentary approval, marks a departure from earlier plans to reduce nuclear energy usage. The decision is driven by the need

to secure a stable energy source for power-intensive sectors like AI and semiconductors, and to reduce carbon emissions. Concerns include safety, costs, and the reliance on uranium imports. Additionally, the traumatic memories of the 2011 Fukushima disaster add to the complexity of this decision.

Chinese lithium company halts tech exports as trade tensions build (February 18, 2025, [Source](#)) A Chinese company, Jiangsu Jiuwu Hi-Tech, has ceased exports of a key lithium processing equipment, responding to Beijing's proposed export controls. This move indicates manufacturers are adapting to potential new regulations that could require government licenses for overseas sales of certain technologies including sorbents—materials essential for lithium extraction. While China dominates the global production of sorbents, the proposal's uncertainty is already affecting international trade decisions and discussions, suggesting a strategic use of China's position in critical mineral sectors amidst growing trade tensions. This could impact global lithium supply chains, influencing companies like Exxon Mobil and Koch Industries to reconsider their technological dependencies.

US energy secretary says Australia should 'get in the game of supplying uranium' (February 18, 2025, [Source](#)) Speaking at a conference in London, US energy secretary Chris Wright urged Australia to increase uranium production and consider adopting nuclear energy. Australia is already the world's fourth-largest uranium producer, though nuclear power remains banned at national level. Wright also praised the potential development of Australia's shale gas, calling it a "tremendous resource." He questioned the widespread belief in "clean" versus "dirty" energy, expressing concern about top-down control in energy policy. Attendees included conservative politicians, activists, and media figures from Australia and New Zealand, who gathered for the Alliance for Responsible Citizenship conference.

Anglo American to sell nickel business for up to \$500 million (February 18, 2025, [Source](#)) Anglo American PLC (LSE: AAL) has agreed to sell its nickel business to MMG Ltd for up to \$500 million, focusing on streamlining its operations towards copper and iron ore sectors. The deal includes \$350 million initially, with potential additional payments linked to nickel price and project developments, totaling an extra \$150 million. This sale is part of Anglo's broader restructuring, which includes divesting from coal and planning to spin off its De Beers diamond unit. The restructuring follows the rejection of a \$49 billion bid from BHP for Anglo's copper assets. Anglo aims to simplify its business and improve market transparency, according to CEO Duncan Wanblad.

Trump's foreign aid cuts threaten \$1 billion African minerals project (February 18, 2025, [Source](#)) A billion-dollar expansion of Africa's critical minerals infrastructure is uncertain due to a foreign-aid freeze under the Trump administration. The Lobito Corridor railway project, intended to transport cobalt and copper from the Central African Copperbelt to the Angolan coast for shipment to Western markets, is central to these plans. Previous commitments from the US International Development Finance Corp. and USAID for feasibility studies and early-stage funding are now stalled. Officials fear the project could collapse without American support, opening the door to China or other financiers. The suspension has created uncertainty for strategic investments in African mining and energy development.

Congo emerges as China's strategic copper supplier (February 17, 2025, [Source](#)) China's significant investments in mining in the Democratic Republic of Congo are paying off with a substantial increase in copper imports. In 2024, refined copper shipments from Congo to China surged by 71% to 1.48 million metric tons, making Congo the primary supplier to China, the largest global copper consumer. This relationship highlights a shift in the

global copper market dynamics, diminishing the relevance of China's copper imports as a demand indicator. While China's overall refined copper imports and production have increased, suggesting a recovery in demand, macroeconomic indicators and copper prices do not confirm this trend. The Congo is also increasing its global production ranking, overtaking Peru and potentially enhancing exports to the West through the Lobito Corridor project.

China digs deep on mineral security as battle for resources with US intensifies (February 17, 2025, [Source](#)) China is enhancing its strategy to secure critical mineral resources, deepening its exploration and support measures. The country reported a significant increase in copper reserves, adding over 30 million tonnes since 2021. China has also established a 3,000km lithium belt with an estimated 20 to 30 million tonnes of lithium, vital for its burgeoning new-energy sector. Furthermore, the Ministry of Industry and Information Technology released an action plan to boost the energy-storage manufacturing industry. This initiative aligns with China's aim to reduce dependence on foreign minerals and maintain its competitive edge in the global resources market. Additionally, China has discovered new oil, gas, and uranium reserves, further enhancing its self-sufficiency in critical resources.

China quietly ramps up its tech trade war with the West (February 17, 2025, [Source](#)) China is tightening controls on the outflow of its advanced technology as trade tensions with the US and Europe increase. Authorities have restricted certain engineers and equipment from leaving the country, proposed new battery technology export limits, and curbed critical mineral processing knowhow. These moves affect global supply chains, including Apple's partner Foxconn, which reports challenges sending machinery and personnel to India. Beijing is also formalizing export restrictions for technologies crucial to

lithium extraction and battery production, potentially forcing foreign manufacturers to rely on Chinese expertise and inputs for advanced components.

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Investor.News Video Highlights

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<https://youtu.be/7PjsS0Tf6gQ>
- February 19, 2025 – Xcite Resources Jean-François Meilleur on a Surface Trench with Uranium Grades Averaging 30%
<https://youtu.be/19LPyRHdJ-k>
- February 18, 2025 – Danny Huh Discusses NEO Battery’s \$100M Windsor Investment as Key Step in Building North American Production Facility for EV Supply Chain
<https://youtu.be/-My6QNHwkwY>

Investor.News Member News

- February 21, 2025 – Media Advisory – Neo Performance Materials Inc. Fourth Quarter 2024 Earnings Release &

Conference Call <https://bit.ly/41uZRtp>

- February 20, 2025 – Metallurgical Milestone Achieved at Halleck Creek <https://bit.ly/4gRetsH>
- February 19, 2025 – Power Nickel Announces Change of Name to Power Metallic Mines Inc. <https://bit.ly/4be4LPJ>
- February 19, 2025 – Board appointment supports ASM’s project development and growth objectives <https://bit.ly/4hA5VHH>
- February 18, 2025 – Voyageur Advances MRI Drug Development Using Next Generation Endohedral Fullerenes <https://bit.ly/4b7z5LS>
- February 18, 2025 – Power Nickel Announces Up to C\$10 Million Upsize on Its Previously Announced Best Efforts Private Placement <https://bit.ly/3EGicvP>

The upcoming **CMI Summit IV**, themed *The War for Critical Minerals and Capital Resources*, is scheduled to take place in Toronto, Ontario, on May 13-14, 2025. This event aims to unite industry leaders to tackle pressing issues in the global critical minerals market. To learn more about the **CMI Summit IV**, [click here](#) – or to secure a **CMI Summit IV** 2-day Delegates Pass, [click here](#)

