

Technology Metals Report (10.25.2024): The Hunger Games for Critical Minerals is On as U.S. Election Countdown Begins

written by Tracy Hughes | October 25, 2024

Welcome to the latest issue of the **Technology Metals Report (TMR)**, brought to you by the [Critical Minerals Institute \(CMI\)](#). In this edition, we compile the most impactful stories shared by our [CMI Directors](#) over the past week, reflecting the dynamic and evolving nature of the critical minerals and technology metals industry. Among the key stories featured are the UK's bold [initiative](#) to increase financial support for critical minerals imports, the [approval](#) of a major lithium project in Nevada aimed at reducing U.S. reliance on Chinese supply chains, and Eramet's strategic [acquisition](#) of the Centenario lithium project in Argentina. These developments are reshaping the critical minerals landscape and influencing global supply chains for industries dependent on these materials.

This week's TMR also highlights the growing tensions in Myanmar's rare earth mining regions, where an armed group has [seized](#) control of a key mining hub, disrupting critical mineral supplies to China. We cover the increase in U.S. copper imports following a recent CME squeeze, as well as the U.S. government's \$428 million [investment](#) in clean energy projects to support coal-reliant communities. Additionally, Brazil's new rare earths project, endorsed by the U.S.-led Minerals Security Partnership, illustrates efforts to diversify supply chains and reduce dependence on China's critical minerals.

We also feature insights from [Melissa Sanderson's](#) recent

article, [*The US Presidential Election: A Tight Race with Big Stakes for Clean Energy and Critical Minerals*](#). Sanderson explores how the outcome of the election could dramatically affect the clean energy agenda and the critical minerals sector, depending on which party wins. With policy shifts on decarbonization and energy independence on the line, the stakes for the sector have never been higher. As geopolitical and economic factors continue to evolve, the critical minerals industry remains at the center of these global transformations.

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The US Presidential Election: A Tight Race with Big Stakes for Clean Energy and Critical Minerals (October 25, 2024, [Source](#))

–The upcoming US presidential election, described as one of the most consequential in recent history, is poised to significantly impact the clean energy and critical minerals sectors. Melissa Sanderson of the Critical Minerals Institute highlights the starkly different paths each party could take, influencing policies on energy independence and decarbonization. As the race approaches its conclusion, with battleground states like North Carolina, Georgia, and Arizona playing pivotal roles, the election outcome remains uncertain, potentially leading to legal disputes and even demonstrations. Despite the election's tight margins, little has been said about climate change, a critical issue given recent destructive weather events. The Republican platform suggests a rollback on clean energy incentives, while the Democratic vision includes expanding decarbonization efforts. The election results could redefine US energy policy and critical mineral development, affecting both domestic initiatives and geopolitical dynamics.

UK Critical Mineral Importers to Get Financial Support in Budget (October 25, 2024, [Source](#)) – The UK is set to increase financial support for companies importing critical minerals such as

lithium, graphite, and cobalt, as announced by Chancellor Rachel Reeves in the upcoming budget. This initiative aims to strengthen British industries and lessen dependence on China by granting importers access to UK Export Finance if they have long-term contracts with UK exporters. This move is expected to advantage sectors like defense, aerospace, and renewable energy. Additionally, the budget will introduce tax hikes and increased borrowing to raise £40 billion, primarily to fund the National Health Service and cover a fiscal deficit attributed to previous Conservative governance. Amidst these changes, the government has successfully attracted £63 billion in international investments and plans further private investments to stimulate economic growth.

US approves lithium project in push to break China's grip on EV minerals (October 24, 2024, [Source](#)) – The US has greenlighted a major lithium mining project in Nevada as part of efforts to reduce dependence on Chinese-dominated critical mineral supply chains. Australian firm [Ioneer Ltd.](#) (ASX: INR | NASDAQ: IONR) announced the federal permit for its Rhyolite Ridge lithium-boron mine, aimed at supporting the production of around 370,000 electric vehicles annually. This initiative marks the first lithium mine approval under President Biden's administration, which also includes a \$700 million loan to enhance domestic lithium output. The mine could significantly increase U.S. lithium production by 2028. Despite environmental concerns and opposition from conservation groups, modifications and a protection plan for the endangered Tiehm's buckwheat flower have allowed the project to proceed.

Eramet takes full control of lithium project from China's Tsingshan (October 24, 2024, [Source](#)) – Eramet has acquired Tsingshan's 49.9% stake in the Centenario lithium project in Argentina for \$699 million, assuming full ownership as the project nears production commencement. This move allows Eramet

to independently manage future expansions, including a potential second production facility. Despite recent declines in lithium prices, Eramet's stock rose by 6% following the announcement, which partially offset the steep losses experienced after recent production target reductions. Additionally, Eramet announced the suspension of an electric vehicle battery recycling project in France and other cost-cutting measures, including a reduction in this year's capital investment target. The company also delayed construction of the second plant in Argentina until potentially 2026, citing market volatility but maintained expectations of improved EBITDA in the latter half of the year.

US copper imports accelerate in wake of CME squeeze (October 24, 2024, [Source](#)) – Following the May squeeze on the CME copper contract, U.S. copper imports have significantly increased, influenced by a favorable arbitrage opportunity between the CME and LME. This has led to a redistribution of copper stocks, boosting CME inventories while depleting those of the LME and ShFE. Notably, imports from Chile, the primary supplier, have risen sharply, making the U.S. the largest recipient of Chilean copper during this period. This influx of copper to the U.S. has helped cover short positions on the CME, alleviating the pressure from earlier squeezes and balancing the exchange's inventory levels. Despite a global consistency in elevated exchange inventory, domestic challenges such as production cuts at major mines like Bingham Canyon due to geotechnical issues suggest that the U.S. might rely even more on imports to meet its copper demand.

Armed group says it takes control of Myanmar rare earth mining hub (October 23, 2024, [Source](#)) – The Kachin Independence Army (KIA), an armed group in Myanmar, has seized control of Panwa, a key rare earth mining hub, disrupting shipments of rare earth oxides crucial for clean energy and other technologies. This hub, alongside Chipwe, both in Kachin state near China's Yunnan

province, significantly supplies China. These towns were formerly controlled by the NDA-K militia, allies of Myanmar's junta, which collaborated with Chinese companies. With Myanmar as a leading exporter, providing significant quantities of rare earth oxides to China, this takeover could impact the global supply. Rebel control has led to a halt in rare earth imports by China from Myanmar and adjustments in the trade of critical materials. Analysts suggest disruptions might continue until early-2025, potentially causing a rise in prices for rare earth elements used in various high-tech industries.

US grants \$428 million to clean energy projects in communities that relied on coal (October 22, 2024, [Source](#)) – The U.S. government has allocated \$428 million to enhance clean energy projects in regions historically dependent on coal, by supporting the development and expansion of battery manufacturing and recycling plants. This initiative, part of the Biden-Harris administration's commitment to aid communities impacted by the decline of coal industries, aims to transition these areas towards sustainable energy production. Announced on a press call by Deputy U.S. Energy Secretary David Turk, the funding—stemming from the bipartisan 2021 infrastructure law—will facilitate the creation of over 1,900 high-paying jobs. It will also attract approximately \$500 million in private investment. The 14 projects, distributed across 12 states including Kentucky and Texas, include significant investments like \$87 million for Mainspring energy in Pennsylvania to produce linear generators capable of utilizing multiple fuel sources.

US-led Minerals Security Partnership backs new rare earths project in Brazil (October 22, 2024, [Source](#)) – The Minerals Security Partnership (MSP), an initiative led by the US and comprising 14 countries and the EU, endorsed a new rare earths project in Brazil to counteract China's dominance in critical

minerals. The Pela Ema deposit, run by Serra Verde Group and supported by significant investments from notable mining firms, illustrates the MSP's efforts to diversify the global supply chains away from Chinese influence. However, challenges remain, as Serra Verde's produced rare earths still require processing in China, highlighting the West's infrastructural gaps. The MSP lacks direct funding, relying on private and state-backed investments to support such projects. Serra Verde's recent success in fundraising is seen as a step towards establishing a competitive stance in the global market for the strategically important minerals used in advanced technologies like electric vehicles and wind turbines.

Shift to electric vehicles will have far-reaching impact, IMF says (October 22, 2024, [Source](#)) – The International Monetary Fund (IMF) has highlighted the significant implications of the global shift towards electric vehicles (EVs) in its latest World Economic Outlook. As discussed during the IMF and World Bank annual meetings, this transition is pivotal for investment, production, international trade, and employment. This shift is integral to meeting climate goals, given the substantial emissions from transportation—36% in the U.S., 21% in the EU, and 8% in China. The automotive industry, known for its high wages and strong profits, faces transformative changes, particularly with China's current dominance in EV production and exports. This could potentially lower Europe's GDP by about 0.3% in the medium term, with employment shifting from the automotive sector to less capital-intensive industries.

EU set to choose firm for critical minerals joint buying platform (October 21, 2024, [Source](#)) – The European Union is advancing a 9 million euro initiative to create a joint purchasing platform for critical minerals, essential for the green transition. With the aim of consolidating demand to secure more favorable terms in opaque markets often dominated by China,

the EU has narrowed the competition to eight bidders, including prominent firms like Deloitte and PwC. This platform is part of the EU's broader strategy under the Critical Raw Materials Act to reduce reliance on external suppliers and bolster domestic production. While larger companies with established supply chains may find limited use for this platform, it could benefit those seeking sustainable or niche materials. Despite industry support, concerns remain about the practicality of combining diverse materials like minerals and gases in one platform and safeguarding sensitive procurement data. The EU plans to finalize the contract by year-end, with platform development starting early next year.

Taiwan Signals Openness to Nuclear Power Amid Surging AI Demand (October 21, 2024, [Source](#)) – Taiwan, under Premier Cho Jung-tai, is considering embracing new nuclear technologies to satisfy rising electricity demands from the AI-driven semiconductor industry. Cho suggests that with consensus on nuclear safety and waste management, Taiwan could publicly discuss nuclear energy usage. The reconsideration follows heightened energy demands, evidenced by two electricity price hikes this year, and TSMC assurances of adequate resources for expansion. Globally, companies like Microsoft, Google, and Amazon are exploring next-generation nuclear solutions. Taiwan's strategic shift also addresses potential risks from China's military maneuvers, hinting at a blockade scenario. Meanwhile, Taiwan aims to maintain its critical role in the global semiconductor and democratic supply chains, with plans to bolster defense spending and international ties to ensure security and support in crises.

India seeks critical mineral agreement with US, hopes for a trade pact, minister says (October 19, 2024, [Source](#)) – India is actively seeking a critical mineral partnership agreement with the United States, aiming to elevate a memorandum of understanding into a broader trade pact. India's Trade Minister

Piyush Goyal expressed this ambition during a press briefing in New Delhi, proposing that this partnership could lay the groundwork for a future Free Trade Agreement (FTA). The push for this partnership follows a recent preliminary agreement between India and the U.S. to enhance cooperation on supply chains for essential minerals like lithium and cobalt, crucial for electric vehicles and clean energy. However, the existing MoU does not qualify India for the U.S.'s \$7,500 electric vehicle tax credit under the Inflation Reduction Act, which is limited to trade deals and is part of broader efforts to integrate trusted allies into U.S. economic strategies.

New IAEA Report on Climate Change and Nuclear Power Focuses on Financing (October 18, 2024, [Source](#)) – The 2024 IAEA report on Climate Change and Nuclear Power, released at the Clean Energy Ministerial in Brazil, underscores the need for substantially increased investment in nuclear power to meet global climate goals. It calls for annual global investment to rise from the current \$50 billion to \$125 billion to meet a high projection for nuclear capacity by 2050. This could further increase to \$150 billion to potentially triple capacity, as discussed at COP28. The report highlights the economic viability of nuclear plants over their nearly century-long lifespans, though it acknowledges challenges in financing initial costs, particularly in market-driven and developing economies. It also explores mechanisms to engage private and institutional investors more effectively, including multilateral development banks, to provide better financing options, particularly for developing countries.

Investor.News Media Highlights:

- October 25, 2024 – The US Presidential Election: A Tight Race with Big Stakes for Clean Energy and Critical

Minerals <https://bit.ly/3Ynx1JT>

- October 21, 2024 – ArcStone Financial Pulse: Opportunities Surge in AI, Tech, and Clean Energy Amid Economic Shifts and Geopolitical Risks <https://bit.ly/4fw10ev>

Investor.News Member News:

- October 24, 2024 – Ucore Continues to Advance its US DoD Demonstration Project towards Louisiana REE Commercialization <https://bit.ly/3UkvSkZ>
- October 24, 2024 – Meteoric included in Brazil's ambitious development and climate platform <https://bit.ly/3BY3E9r>
- October 23, 2024 – Appia Begins Diamond Drilling to Delineate Potential Highgrade Mineralization at PCH Target IV in Goias, Brazil <https://bit.ly/3A9ga5j>
- October 22, 2024 – Appia Announces Non-Brokered Private Placement <https://bit.ly/4dUJgTW>
- October 22, 2024 – American Rare Earths Receives First Reimbursement from Wyoming Grant <https://bit.ly/4fe0GS0>
- October 22, 2024 – High-grade Figueira resource improves financial metrics of the Caldeira Scoping Study <https://bit.ly/3BV9J6m>
- October 21, 2024 – NEO Battery Materials Signs Letter of Intent for Joint Venture with Lotus Energy Recycling <https://bit.ly/3A8218n>
- October 21, 2024 – Panther Metals PLC – Dotted Lake: Soil Survey Extension Commenced <https://bit.ly/3Yi1B7s>
- October 21, 2024 – Scandium Canada Ltd. provides an update on its activities <https://bit.ly/48dzXNq>