“The Tungsten Five”: How a Once-Overlooked Metal Redrew the Critical Minerals Playbook

written by Tracy Hughes | June 3, 2025

TORONTO—It isn’t every year that a refractory metal with an unpronounceable chemical formula steals the thunder from gallium, cobalt, and rare earths. Yet that is exactly what happened at our Critical Minerals Institute (CMI) Summit IV this last month, where tungsten—element 74, W for “wolfram”—drew a standing-room-only crowd and more follow-up questions than any other commodity on the agenda.

The Price Signal No One Could Ignore

Part of the fascination is numerical. Chinese concentrate prices have jumped **26% since January to about $20,400 a tonne**, a 12-year high, after Beijing tightened export licences in April.

The spike has rippled across derivative products—APT, powders, carbide—leaving tooling and aerospace buyers scrambling for forward cover. There is no futures market in tungsten, so physical premiums are the only hedge.

Those premiums have ballooned because **China still accounts for roughly 80% of mine output (≈ 81,000 t last year)**, according to the U.S. Geological Survey. When Beijing couples tariffs on U.S. goods with paperwork delays for export permits—most recently on APT, oxide and carbide—prices elsewhere move fast.

Washington’s Tungsten Anxiety

Policy makers on this side of the Pacific are responding in kind. The U.S. Defense Logistics Agency’s FY-2025 shopping list includes up to **4.5 million lbs of tungsten metal and concentrates**—a 50% jump over last year. Capitol Hill has also barred Pentagon contractors from buying Chinese or Russian tungsten from 2027 onward, while slapping a 25% tariff on Chinese material. The message is simple: “find a friendly source—or build one.”

Canada Steps Forward

Enter Christopher Ecclestone of Hallgarten & Company. In a post-summit interview, he quipped, “Tungsten is the new lithium,” then observed with his trademark irony, “Canada is where it’s at for many critical and strategic minerals.” The logic is difficult to refute: Canada combines rule-of-law geology with highway access to Midwestern machine shops—an irresistible advantage when Red Sea shipping lanes can no longer be assumed secure.

Five Stocks, Two Very Canadian

Investors who want tradable exposure now have a short, globally balanced bench. We highlighted five publicly listed companies, starting with the Top 3 in the market:

Tier	Company	Jurisdiction	Current Status
Global Producer	**CMOC Group Limited** (Hong Kong: 03993 | Shanghai: 603993)	China	Delivered **8,288 t tungsten** in 2024 from Sandaozhuang and Luanchuan, the largest public-company tonnage.
Integrated Processor	**Xiamen Tungsten** (Shanghai: 600549 | OTC: XIACF)	China	Owns the country's flagship mine-to-carbide chain; its APT bids still set the tone for domestic prices.
Near-Term Producer	**Almonty Industries Inc.** (TSX: AII | ASX: AII | OTCQX: ALMTF)	Spain & South Korea	Commissioning the Sangdong revival for Q3-2025; long-term offtake with Plansee carries an unprecedented **US $235/mtu floor**.

Tier	Company	Jurisdiction	Current Status
Explorer–Canada	**Happy Creek Minerals Ltd.** (TSXV: HPY)	British Columbia	Fox project boasts one of the world's highest grades (0.83 % WO_3 Indicated); a **10,000-metre drill campaign** kicks off this summer.
Developer–U.S./Canada	**American Tungsten Corp.** (CSE: TUNG | OTCQB: DEMRF)	Idaho & B.C.	Began **site prep at the historic IMA mine last week**; early evidence of bipartisan appetite for domestic sourcing.

Together, these five companies—the **"Tungsten Five"**—offer a miniature index that marries today's cash flow with tomorrow's torque. Two Chinese majors provide unavoidable exposure to the world's dominant supplier, while three Western names align with the friend-shoring theme that charged the air at CMI Summit IV.

Macro Backdrop: Pricing in Risk

Unlike copper or nickel, tungsten trades off-exchange. Supply pinches therefore appear first in negotiated contracts, not on an LME screen. When Beijing folded tungsten compounds into the same licence regime as gallium in February, forward quotes jumped **US$ 35/mtu overnight**, traders told me in the corridor.

With no futures market, industrial users must hold inventory or finance new mines to secure feed.

Floor-price clauses are fast becoming the hedge of choice. Almonty's **US$ 235/mtu** floor under Sangdong concentrate gives investors downside protection while granting buyers unlimited upside—effectively a bilateral insurance policy that recognises geopolitical risk as a cost centre, not an externality. Expect more of these quasi-royalty hybrids as the Pentagon's 2027 procurement deadline approaches.

China's Counter-Moves

Sceptics say Beijing can crush prices by flooding spot cargoes, as it has in rare earths. Tungsten is harder to weaponise for two reasons:

1. **Processing chokepoint.** Most APT capacity sits in a handful of Chinese provinces, and the new export-licence net now covers compounds as well as concentrates.
2. **Floor-price offtakes.** Fixed-premium contracts insulate at least part of non-Chinese production from predatory pricing—hence Plansee and Global Tungsten & Powders' take-or-pay deal for Sangdong's entire Phase I output.

Dollars and Sense for Capital Markets

Tungsten still lacks the ETF inflows that propel lithium or uranium, but its risk-adjusted appeal is quietly improving. **CMOC** and **Xiamen** trade at single-digit EV/EBITDA multiples, tempered by a widening "China discount" every time Washington tightens sanctions. At the other end of the spectrum, **Happy Creek** and **American Tungsten** linger in micro-cap territory; one drill

intercept or offtake could rerate them sharply in a market starved of pure plays.

Beyond the Hype

Tungsten will never dominate headlines the way lithium did during the EV boom, nor should it. Yet its unique blend of battlefield indispensability and industrial ubiquity makes it the perfect bellwether for an era of supply-chain decoupling. The real takeaway from Summit IV is that investors, policymakers and manufacturers have finally attached a price to geopolitical reliability— and are ready to pay it.

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