Washington Announces Strategic Initiative to Secure U.S. Tungsten Supply Through Kazakhstan Partnership

written by InvestorNews | November 21, 2025

The United States is advancing one of its most significant government-backed critical minerals initiatives in years, and Pini Althaus, Managing Partner of Cove Capital LLC, has emerged as a central figure in its execution. In a discussion with InvestorNews host Tracy Hughes, Althaus described recent meetings in Washington, D.C., where U.S. President Donald J. Trump and senior cabinet officials reviewed the tungsten supply-chain agreement between the United States and Kazakhstan. “It’s definitely a new dawn in Washington,” Althaus said. “The approach that this administration is taking to securing critical mineral supply chains is unprecedented,” noting direct involvement from the President, Secretary of Commerce Howard Lutnick, Secretary of State Marco Rubio, and Secretary of the Interior Ryan Bergman. “We’re seeing practical outcomes,” he said, as agencies adopt what he called “a very commercial approach” to long-term supply-chain security.

Cove Capital, founded in 2015 and focused since 2018 on critical minerals, has been developing projects intended to supply U.S. and allied industrial, technological, and defense needs. While the sector’s attention has largely focused on rare earth elements, lithium, copper, and cobalt, Althaus emphasized that tungsten remains indispensable for national-security applications. “Tungsten—the uses are numerous, but especially for military applications, like munitions and armor-piercing ammunition," he said. Because of its high melting point and density, tungsten is also used in space, nuclear systems, and industrial manufacturing. China controls more than 80 percent of global tungsten supply, and, as Althaus noted, "earlier this year also enacted a ban on tungsten exports to the United States… right around the time that President Trump took the oath of office." This left the U.S. without a long-term supply source.

The Kazakhstan project at the center of the new bilateral agreement contains what Althaus described as "in excess of 10% of global tungsten reserves." The Northern Katpar and Upper Kairakty deposits, held through Severniy Katpar LLP, have been extensively studied, with a 2023 feasibility study reporting 1.4 million tonnes of JORC-compliant tungsten trioxide (WO_3). According to the data provided, the deposits represent roughly 70% of Kazakhstan's known tungsten resources. Planned output of 12,000 tonnes per year equates to about 15% of current global production. "At even a 12,000-ton-per-annum rate," Althaus said, "it's over a 50-year supply for the United States for tungsten."

The agreement was formalized through an MOU signed by President Trump and Kazakhstan President Kassym-Jomart Tokayev. Althaus described it as "a government-to-government deal" in which the U.S. Export-Import Bank (EXIM) and U.S. International Development Finance Corporation (DFC) issued Letters of Interest. EXIM's letter supports up to USD$900 million in financing. Total project development costs are estimated at USD$1.1 billion. According to the structure described, Cove Kaz Capital Group LLC will hold 70% of Severniy Katpar LLP, and Kazakhstan's national mining company, JSC Tau-Ken Samruk, will hold 30%. Cove Kaz will market 100% of production under an LOI with the U.S. Department of Commerce's International Trade Administration.

Althaus confirmed that the project will use a public-private model. “I anticipate that what we’ll see out of the U.S. government is the debt side. We’ll be bringing the equity side,” he said. Based on the feasibility study and current tungsten prices, he cited “almost $80 billion of minerals in this one project.” He stated that development will be led by Dominic Heaton, former CEO of Masan Resources, whose team developed the Nui Phao tungsten project in Vietnam. Cove plans to complete an updated Definitive Feasibility Study, with mine and plant construction targeted to begin within 24 months.

The project fits within the administration’s stated priority to secure critical minerals both domestically and from allied nations. Althaus pointed to President Trump’s executive order directing agencies to develop U.S. supply chains while also assessing opportunities in partner countries. “There are a limited amount of projects in the United States that are close to development stage,” he said, emphasizing that greenfield development in the U.S. can take decades. He cited Central Asia’s existing C5 framework and the scale of Kazakhstan’s deposits as reasons for U.S. engagement. “The plan has always been to look abroad,” he said, adding that many Canadian and Australian projects have already committed offtake to non-U.S. buyers.

The cooperation aligns with Kazakhstan’s broader critical-minerals initiatives. Since 2023, Cove Capital has held rare earth and critical-minerals concessions in the country and signed an MoU with Samruk Kazyna, Kazakhstan’s sovereign wealth fund, to collaborate on rare earths. In April 2024, Cove and Tau-Ken Samruk formalized a joint venture on the Akbulak rare earth project. Under that agreement, Cove finances exploration while holding 75% of the joint venture.

In the interview, Althaus also highlighted the role of government mechanisms designed to stabilize non-Chinese supply chains, referencing discussions about potential U.S. price floors for certain critical minerals. He described these measures as addressing the recurrent issue of Chinese price undercutting during Western project development cycles. “This is to alleviate the concern that we all share outside of China,” he said, citing comparable impacts in lithium, rare earths, and tungsten markets.

Hughes asked whether shifts in political leadership could affect U.S. support. Althaus responded that he has observed bipartisan alignment on critical minerals since 2019. “Everybody acknowledges we need them,” he said, referencing differing but complementary priorities across Republican and Democratic offices.

Cove Capital continues to evaluate additional mineral opportunities. “We’re assessing copper projects. We’re assessing lithium projects,” Althaus said, noting that the company has separate teams handling different minerals and jurisdictions while advancing its priority developments in Kazakhstan.

To access the complete InvestorNews interview, click here

Don’t miss other InvestorNews interviews. Subscribe to the InvestorNews YouTube channel by clicking here