Critical Minerals Report (11.01.2025): Trump-Xi Rare Earth Deal “Buys Time, Not Security” – While Copper Soars to New Records

written by Tracy Hughes | November 1, 2025

The past week in critical minerals marked a significant recalibration of global supply chains and trade alliances, with developments spanning from Washington to Beijing, Brussels to Kuala Lumpur. **At the center of attention was the one-year reprieve in China’s rare earth export restrictions following direct discussions between President Donald Trump and Chinese President Xi Jinping.** The agreement, while easing immediate market anxieties, did not dismantle underlying trade barriers and was widely interpreted as a temporary tactical pause rather than a structural resolution. As the **Critical Minerals Institute (CMI)** Co-Chair Jack Lifton observed, “what they agreed upon was that China would roll back its latest series of impediments to the export of rare earth products by one year” and “this wasn’t any kind of permanent deal.” China’s concurrent release of its 2026–2030 Five-Year Plan underscored this point, emphasising domestic value addition and consumer-driven industrial expansion—a clear signal that Beijing’s long-term priorities remain inward-looking. Lifton further cautioned: “no matter what this temporary agreement is, the United States and Europe must develop domestic sourcing of these rare earth enabled products, in particular the magnets.”

In the broader context of critical mineral strategy, the Group

of Seven (G-7) nations announced plans for a **Critical Minerals Alliance** to counterbalance China's supply dominance. The initiative, led by the U.S., Japan, and Canada, will coordinate strategic stockpiling, joint investment in processing facilities, and harmonised ESG standards. Analysts view this as an embryonic framework for a Western equivalent to China's vertically integrated rare earth industry, though questions remain over funding commitments and governance. **The announcement comes amid a rare instance of bipartisan action in Washington, where four Senate Republicans joined Democrats in voting to end tariffs on Canadian metals—a move viewed as a necessary gesture of goodwill toward Ottawa as North American supply-chain integration accelerates.**

Canada's strategic efforts also gained traction as the Ontario government signed an agreement with the Webequie First Nation to advance the long-awaited all-season road into the Ring of Fire region. The project—expected to unlock access to **nickel**, **chromite**, and **rare earth deposits**—represents a test case for balancing Indigenous consent with national resource ambitions. The road's approval concludes years of negotiation and could position Ontario as a key supplier of critical inputs to both U.S. and domestic battery markets, provided environmental assessments remain on track.

Meanwhile, in Southeast Asia, the geopolitics of rare earths deepened. Malaysia reaffirmed that its ban on raw rare-earth exports will remain in place—even as it expands trade cooperation with the United States. Kuala Lumpur's stance is consequential for Australia's Lynas Rare Earths Ltd. (ASX: LYC), which this week announced plans to build a new heavy-rare-earth separation facility in Malaysia to meet surging demand from automakers and defence contractors. The move illustrates the delicate balance between national policy and industrial necessity: Malaysia seeks to retain value through downstream

processing while attracting foreign investment that aligns with its environmental and economic priorities.

At the same time, the European Commission opened an investigation into the sale of Anglo American plc (LSE: AAL) nickel assets to MMG Ltd. (HKEX: 1208), a company with significant Chinese state-backed ownership. European regulators fear the transaction could consolidate China's influence over the global nickel supply chain just as the EU's own battery and hydrogen strategies depend increasingly on the metal. **Nickel prices remained volatile, trading around USD $16,500 per tonne, while copper continued its upward trajectory on the London Metal Exchange (LME), hitting record highs above USD $12,000 per tonne.** The rally reflected a convergence of tightening physical inventories, speculative fund inflows, and renewed optimism about infrastructure spending in India and the U.S. Analysts now anticipate copper to maintain structural support into 2026, with Goldman Sachs revising its 12-month forecast to USD $13,000 per tonne.

China's policy drive on energy storage has also reignited lithium markets. Domestic incentives for large-scale stationary battery deployment sent spot lithium carbonate prices up roughly 8 % over the week to 122,000 yuan per tonne. While far from the 2022 peak, the rebound offers relief for producers such as Albemarle Corporation (NYSE: ALB) and Pilbara Minerals Ltd. (ASX: PLS), both of which have faced margin compression since mid-2024. Yet supply discipline remains critical. **Australia's Larvotto Resources Ltd. (ASX: LRV) underscored this point by rejecting a USD $373 million takeover bid it deemed undervalued—a signal of renewed confidence across the lithium sector that valuations had over-corrected amid the 2024 price slump.**

Elsewhere, the intersection of resource security and industrial

policy came into sharp focus in energy-intensive sectors. Australia's Tomago Aluminium Company, one of the world's largest smelters, warned that rising electricity costs could force temporary curtailments. The case highlights a paradox facing green-industrial transitions: decarbonisation policies are raising energy costs faster than renewable baseload solutions can be deployed, threatening the very industries critical to low-carbon supply chains. European smelters, still reeling from high power prices and carbon costs, face similar pressures, amplifying calls for targeted relief measures.

In Africa, cobalt producers in the Democratic Republic of the Congo continued to report export delays amid ongoing government reviews of new environmental and fiscal frameworks. **The uncertainty has tightened near-term supply of cobalt-hydroxide feedstock, a key input for cathode manufacturing, while reinforcing China's dominant position as the principal processor of Congolese material.** This regulatory limbo coincides with increased Middle Eastern investment in rare earths and battery metals. Sovereign funds from Saudi Arabia and the United Arab Emirates have reportedly held talks with Western mining executives regarding joint ventures in refining and downstream manufacturing—an emerging dynamic that could redefine global capital flows in critical minerals.

The United States continued its diplomatic campaign to secure diversified supply routes, with President Trump and Japanese Prime Minister Sanae Takaichi signing a joint agreement on rare earths and nuclear-power cooperation just days before the Trump–Xi meeting. The deal aims to coordinate uranium enrichment, fuel fabrication, and rare earth separation technologies under shared security protocols. Japan's experience in high-purity processing, coupled with U.S. financing and market scale, could create a powerful bilateral framework rivaling China's dominance in mid-stream processing.

Market sentiment toward the sector remains buoyant but cautious. Investors continue to differentiate sharply between early-stage exploration risk and established production plays, with index performance reflecting that divergence. The S&P Global Metals & Mining Index rose 3.2 % for the week, **driven primarily by copper and lithium equities**, while the rare earth subsector lagged as traders awaited details on China's one-year export reprieve. Exchange-traded funds tracking battery materials also saw net inflows, with U.S.-listed lithium ETFs recording their first positive weekly flow since August.

From a policy standpoint, the week reinforced that the global energy transition remains as much about diplomacy and infrastructure as geology. The G-7 alliance announcement, Canada's Indigenous road accord, and the Trump–Xi truce all point toward an intensifying scramble to secure not just resources, but the governance frameworks that underpin them. That said, now is also the moment to mark your calendar for the CMI Summit V – "Command Capital in Critical Minerals – Aligning Government Priorities with Private Equity" – set for **May 13-14, 2026 in Toronto.**

Now allow me to point out two CMI members with outstanding news this last week:



The most strategically compelling development comes from **Ucore Rare Metals Inc. (TSXV: UCU | OTCQX: UURAF)**. On October 31 the company announced a non-binding Heads of Agreement (HoA) with Wyloo Gascoyne Pty Ltd. and Hastings Technology Metals Ltd. (ASX) to secure long-term feedstock from the Yangibana Rare Earths & Niobium Project in Western Australia and to evaluate U.S. hydromet processing options – targeting Louisiana. The deal contemplates up to 37,000 tonnes per annum of rare-earth concentrate and explicitly links Australian mining output with U.S. mid-stream processing infrastructure, thereby propelling Ucore's objective of constructing a mine-to-oxide rare-earth supply chain within allied jurisdictions. The announcement dovetails with broader geopolitical policy moves—such as the G-7 Critical Minerals Alliance—that seek to build secure, non-China-dependent processing ecosystems.

At the same time, American Tungsten Corp. (CSE: TUNG; OTCQB: TUNGF) closed the second tranche of its "LIFE" non-brokered private placement on October 31, raising approximately C$1.19 million in that tranche—and about C$18 million in aggregate. The

financing underscores investor recognition that tungsten is gaining importance in resilient supply-chain frameworks, particularly in North America. The proceeds are earmarked to advance its flagship Idaho Ima Mine project and to bolster its role as a domestic critical-minerals supplier aligned with the pivot toward supply-chain sovereignty.

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InvestorNews Critical Minerals Institute (CMI) Directorial Headline Picks for the Week:

- October 31, 2025 – CATL taps outside suppliers for lithium ore as flagship mine stays closed (Source)
- October 30, 2025 – US gets rare earth reprieve from China, but not rollback (Source)
- October 30, 2025 – LME copper hits record highs as funds and fundamentals align (Source)

- October 29, 2025 – G-7 to Announce Critical Minerals Alliance to Counter China (Source)
- October 29, 2025 – Four Senate Republicans vote with Democrats in effort to end Trump tariffs on Canada (Source)
- October 29, 2025 – Ontario government signs agreement with Webequie First Nation for road to Ring of Fire (Source)
- October 29, 2025 – Lithium Prices Boosted by China's Policy Drive on Energy Storage (Source)
- October 29, 2025 – EU to probe sale of Anglo's nickel business to China-backed MMG (Source)
- October 29, 2025 – Malaysia's ban on raw rare earths exports remains despite U.S. deal, trade minister says (Source)
- October 28, 2025 – US strikes $80 billion deal for new nuclear power plants (Source)
- October 28, 2025 – Australia's Lynas invests in new Malaysian heavy rare earth facility to meet rising demand (Source)
- October 28, 2025 – US, Japan leaders sign rare earths, nuclear power deal ahead of Trump-Xi meeting (Source)
- October 28, 2025 – Mining execs embrace 'phenomenal' rare earths interest from the Middle East (Source)
- October 27, 2025 – Tomago Aluminium at risk of closure as energy prices continue to rise (Source)
- October 27, 2025 – EU to discuss rare earth minerals with Chinese delegation in Brussels (Source)
- October 26, 2025 – Fact Sheet: The United States and Malaysia Reach an Agreement on Reciprocal Trade (Source)
- October 26, 2025 – Australia's Larvotto Resources rejects $373 million takeover offer on valuation concerns (Source)
- October 24, 2025 – Congo's cobalt producers still waiting for export approvals, sources say (Source)

InvestorNews.com Media Updates:

- October 31, 2025 – Tempest in the Supply Chain: The Trump-Xi Rare Earths Dance https://bit.ly/47DPWod
- October 29, 2025 – A Defining Moment – Beyond the Dollars: Crafting America's Strategy for Critical Materials https://bit.ly/4hvsxtE

InvestorChannel.com (YouTube) Interview Updates:

- October 29, 2025 – Christopher Eager on the High-Grade Titanium and Rare Earths of Resouro Strategic Metals in Brazil https://youtu.be/atTo11dJP9Y
- October 29, 2025 – Volta Metals' Kerem Usenmez on Canadian Critical Minerals and the Springer Rare Earth and Gallium Project https://youtu.be/FlH9lxL1trg
- October 27, 2025 – Peter Clausi of Silver Bullet Mines Declares 'Monumental Stage' as First Commercial Gold-Silver Shipment Ships https://youtu.be/CYI6VlkgYvI
- October 27, 2025 – Jack Lifton Explains Trump's Critical Minerals Gambit – Canada vs Australia https://youtu.be/5dH_ftbHuYY
- October 27, 2025 – Gold on the Western Side, Copper on the Eastern Side – Stakeholder Gold in the Yukon White Gold District https://youtu.be/c94bGSKqRSA

InvestorNews.com News Release

Updates:

- October 31, 2025 – Ucore Signs Heads of Agreement with Wyloo and Hastings to Secure Yangibana Feedstock https://bit.ly/47t3bbb
- October 31, 2025 – American Tungsten Announces Completion of Second Tranche LIFE Offering; Total Close of Approx. $18 Million https://bit.ly/49u83iU
- October 30, 2025 – Grid Metals Announces Closing of Second Tranche of Strategic Private Placement https://bit.ly/49qCNRR
- October 30, 2025 – Appia Announces Engagement of Marketing Firm ShareholdersIPR LLC, Update for PCH Transaction, and Acceleration of 2025 Warrants https://bit.ly/4oLPmf7
- October 30, 2025 – Stakeholder Provides Year-To-Date (YTD) Operating Results https://bit.ly/3LdOtxo
- October 30, 2025 – Panther Metals PLC: Pick Lake Option Update https://bit.ly/3Jds3vI
- October 30, 2025 – Panther Metals PLC: Result of WRAP Retail Offer https://bit.ly/4oHVDZ9
- October 29, 2025 – Nano One Awarded C$5 Million from the Government of Canada to Support Capacity Expansion at its Candiac Facility and Advance One-Pot LFP Commercialization https://bit.ly/437Eks9
- October 29, 2025 – Voyageur Pharmaceuticals Signs Non-Exclusive Distribution & Wholesale Agreement with PHALANX https://bit.ly/433oizz
- October 29, 2025 – Ucore Comments on G7 Focus to Secure Critical Mineral Supply Chains, October 30-31, 2025 https://bit.ly/3Jzafem
- October 29, 2025 – Volta Drills Wide, High-Grade Rare Earth Oxide Mineralization at Springer REE Project in Ontario, Canada https://bit.ly/47fx6Vx

- October 29, 2025 – Rockland Resources Identifies a New 4.5 Kilometre-Long Gold Corridor at Cole Gold Mine Property, Red Lake Mining District in Northwestern Ontario https://bit.ly/435xDqF
- October 29, 2025 – Homerun Resources Inc. Rare Earth Element (REE) Separation Technology Partnership https://bit.ly/3LgFYBC
- October 28, 2025 – American Rare Earths Adds Seasoned Geologist Jason Beckton to Board https://bit.ly/3JqBhVo
- October 28, 2025 – Happy Creek Completes 2025 Drill Program at the Fox Tungsten Project in British Columbia https://bit.ly/47Brnse
- October 28, 2025 – Panther Metals PLC: Placing and Director's Dealing https://bit.ly/4ocXQw3
- October 28, 2025 – Resouro Strategic Metals Inc. (ASX:RAU) (CVE:RSM) Engages Market Maker Services https://bit.ly/4o8VLAV
- October 27, 2025 – American Tungsten Strengthens the Board of Directors https://bit.ly/3L7enTv
- October 27, 2025 – E-Tech Resources Rebrands as ReeXploration Inc., Reflecting Renewed Focus on Responsible Discovery and Critical Mineral Growth in Namibia https://bit.ly/4oDRmWG
- October 27, 2025 – Australian Strategic Materials: Quarterly Activities Report to 30 September 2025 https://bit.ly/4nqmWWO

