

Follow the \$10 Billion, Not the \$1.5 Trillion: JPMorgan's Security Bet, One Year In

written by Tracy Hughes | October 14, 2026

One year ago this week, JPMorgan Chase & Co. (NYSE: JPM) [unveiled](#) its \$1.5 trillion Security and Resiliency Initiative (SRI) to finance industries tied to economic and national security. Rare earth shares jumped on the news. In Monday trading, USA Rare Earth Inc. (Nasdaq: USAR) was up 32% and MP Materials Corp. (NYSE: MP) up 24%, according to [Forbes](#). China had tightened rare earth export controls days earlier, so not all of that move belongs to JPMorgan.

"There was rejoicing and euphoria, particularly in the critical mineral space, that projects that had merit and that could really contribute to America's national security needs would get the financing that they needed to get off the ground," recalls Melissa Sanderson, Co-Chair of the [Critical Minerals Institute](#) (CMI).

Twelve months later, the number that matters most to critical minerals investors is not \$1.5 trillion. It is \$10 billion: the bank's own money for direct equity investments. Yesterday, we learned roughly half of it is already at work.

Here is what has actually happened, what it means for small and mid-cap resource companies around the world, and the one question every management team claiming "SRI alignment" should be ready to answer.

The \$1.5 Trillion Is Mostly Business Jpmorgan Was Already Doing

Read the [launch release](#) carefully and the headline shrinks fast. The SRI is a ten-year target to “facilitate, finance and invest,” which counts loans, underwriting, capital raised for clients and advisory work, not just cash out the door.

Figure	What it actually is
\$1.5 trillion	Ten-year target for financing, facilitation and investment across strategic industries
\$1 trillion	Activity the bank already expected to do anyway
Up to \$500 billion	The genuinely new part: a 50% increase over that baseline
Up to \$10 billion	JPMorgan’s own capital for direct equity and venture investments

That \$10 billion is less than 1% of the headline, and it is the only piece where JPMorgan becomes an owner rather than a lender or adviser. Jamie Dimon was blunt that the program is “[100% commercial](#),” not philanthropy. Companies should expect underwriting discipline, not a grant program wearing a national security badge.

It is also not a mining fund. The SRI now [spans five verticals](#) and 30 sub-sectors: supply chain and advanced manufacturing (where critical minerals mining and processing sit), defense and aerospace, energy independence, frontier technologies such as AI and quantum, and, since 2026, pharma and health tech. Every antimony or rare earth project is competing with drone makers and grid operators for the same pool.

Year One: Real Execution, Fuzzy Totals

The clearest evidence that the SRI is more than a press release came yesterday. Todd Combs, the former investment manager at Berkshire Hathaway Inc. (NYSE: BRK.A, BRK.B) who runs JPMorgan's Strategic Investment Group, said his team has put about [\\$5 billion](#) of the bank's own capital into ten companies after reviewing roughly 350 proposals. He described the focus as growth capital for businesses past the venture stage.

On the banking side, JPMorgan's own dealmaking [commentary](#) cites more than \$188 billion financed and facilitated under the initiative. On Tuesday's third-quarter [earnings call](#), Dimon put first-year activity at "probably over \$200 billion". Two cautions apply. The \$5 billion and the \$188 billion are different measures and should not be added together. And neither has been broken down by sector, so nobody outside the bank knows how much has gone to minerals.

Sanderson is not yet convinced the money has shown up where it counts. Looking back over a year of headlines on critical minerals mining and processing, she could recall only one disbursement, though she allows that other deals may simply have escaped press attention. "There has not been a noticeable market impact," she said. "I haven't seen the evidence yet that [the initiative] has made that meaningful difference."

The initiative has also grown a real organization and a much bigger map:

- **Todd Combs** runs the \$10 billion Strategic Investment Group and [reports](#) to Dimon.
- **Jay Horine** leads the global banking side of the SRI.

- **Andrew Frame** was [reported](#) on October 13 as the new lead for critical minerals investment. For this sector, that is the most important hire of the year.
- **David Rawlings**, CEO of JPMorganChase Canada, leads the initiative in Canada.

The SRI has also gone global. It reached the UK about a month after launch, [continental Europe](#) on April 21, 2026, starting with France, Germany, Poland and Italy, and Canada on [June 15, 2026](#). Asia is reportedly under [consideration](#). The mandate is allied supply chains, not only American ones: JPMorgan has [arranged](#) and advised on Korea Zinc Inc.'s (KRX: 010130) \$7.4 billion U.S. critical minerals project. None of the regional launches set a dollar allocation by country or mineral, or any entitlement for locally listed issuers.

The Template, the Precedent and the Competition

Perpetua Resources is the template. On October 27, 2025, Perpetua Resources Corp. (Nasdaq: PPTA | TSX: PPTA) [announced](#) a \$255 million strategic equity package: \$75 million from JPMorganChase, the SRI's first equity investment, and \$180 million from Agnico Eagle Mines Limited (NYSE: AEM | TSX: AEM). JPMorgan's stake was about 2.7% on a non-diluted basis, with warrants worth up to about \$42 million more if exercised.

The lesson is in the stack, not the cheque. The Stibnite gold-antimony project in Idaho now combines bank equity, a senior gold producer as strategic partner, a \$2.9 billion Export-Import Bank loan [approved](#) on May 21, 2026, and an antimony trisulfide pilot plant with the U.S. Army and Idaho National Laboratory. Two qualifiers matter. The EXIM loan is approved, not disbursed, and remains subject to documentation and conditions. The pilot

plant proves a process, not commercial-scale supply. It would also be wrong to credit all of Perpetua's progress to JPMorgan.

MP Materials is the precedent. Its [July 10, 2025 deal](#) with the Pentagon, which included a \$400 million preferred equity stake, a ten-year \$110/kg NdPr price floor and guaranteed offtake for its magnet plant, predates the SRI by three months. JPMorgan and The Goldman Sachs Group, Inc. (NYSE: GS) jointly provided a \$1 billion financing commitment, so it was not a JPMorgan-only cheque. What MP proved is that when government removes price and demand risk, private construction finance follows. That is the model the SRI is built to repeat.

Shield AI is the competition. In [March 2026](#), the Strategic Investment Group co-led privately held Shield AI's \$1.5 billion Series G at a \$12.7 billion valuation. JPMorgan's share was not disclosed. **The point for our sector is simple: the \$10 billion is not reserved for mining, and defense technology is already drawing on it.**

Why It Matters: The Gap Is in the Middle of the Chain

The financing problem is real, but it is not a shortage of announcements. The International Energy Agency's [Global Critical Minerals Outlook 2026](#) reports that critical minerals investment fell 9% in 2025, even as public finance commitments in advanced economies climbed to about \$65 billion, more than four times the 2023 level. The IEA also flags a wide gap between what governments commit and what they actually disburse.

Sanderson puts the stakes plainly. "Financing in itself is the biggest roadblock. It's more important than permitting," she said. "Permitting, you check the boxes. Financing, a lot more

amorphous. And if you have money, you can advance your project more quickly... Money is key.”

More telling is where the weakness sits. In the IEA’s analysis of diversified rare earth supply, announced refining capacity covers only about two-thirds of expected mined supply by 2035, and magnet manufacturing only about one-third. Digging more out of the ground does not fix the vulnerability if nobody outside China can process it.

That is where a bank like JPMorgan can add something a junior’s next equity raise cannot. Picture a refinery with proven technology and feedstock, but no customer willing to sign beyond short-term purchases. A construction loan can build the plant. It cannot guarantee the plant earns enough to repay the loan. A long-term offtake, an industrial partner or a government price floor can, and the SRI’s real value is stitching those pieces into a financeable project.

Which brings us to the question no funding headline answers: **who pays for reliable alternative supply when the cheapest incumbent supplier cuts its price?** The answer has to show up in customer contracts, cost competitiveness or public support that outlasts the current geopolitical emergency.

What It Means for Small and Mid-Cap Companies

Do the math on Combs’s numbers: \$5 billion across ten companies averages about \$500 million a position. The two disclosed deals went into a public miner worth roughly \$2.7 billion and a private company valued at \$12.7 billion. That is mid-cap and late-stage territory, far beyond what an exploration-stage junior could absorb.

Early-stage explorers are not formally excluded. But the SRI is not a solution to exploration finance, and the original priorities [document](#) points the same way: in some categories, deals counted only if they localized manufacturing in the U.S. or carried U.S. government support such as a contract, co-investment or offtake. That framework predates the international expansion, but it shows what the bank values.

For most small caps, the realistic routes in are indirect:

- **The Perpetua model.** A company, wherever it is listed, with a project in an allied jurisdiction, a credible partner and a defined product.
- **The banking side.** JPMorgan covers some 34,000 middle-market clients, and loans, advisory and capital raising reach further down the market than equity does.
- **Second-order demand.** SRI-backed anchor companies need feed, services and assets, and some of that will come from smaller peers.

One more caution: strategic capital often arrives with dilution. Perpetua paired its JPMorgan announcement with a \$70 million share offering, and its [shares fell](#) about 1.5% in after-hours trading on the offering news.

When a company tells you it is “aligned with the SRI,” ask management three things:

1. **What specific supply vulnerability does this project fix?** Not “we own a critical mineral,” but the product specification, the customer, where today’s dependency sits and how much capacity you add.
2. **What proves you can deliver it?** Lab results versus demonstration scale, letters of interest versus binding

offtake, estimated capex versus engineered numbers, plus permits, infrastructure and a realistic commissioning date.

3. **What exact financing unlocks the next milestone?** The amount, the instrument, the use of proceeds and the milestone it buys.

Or in one line: **what industrial capability will this financing make possible that would not otherwise exist, and who has committed to buy the output?**

Bottom Line

The SRI is more than a branding exercise and less than its headline. The proof is in the disclosed deals, a dedicated investment team with real money and a newly named critical minerals lead. The gap is transparency: nothing published yet links the financing totals to new capacity actually built, commissioned and selling to customers. Rivals have noticed the format, too. Morgan Stanley (NYSE: MS) announced its own \$1.5 trillion, ten-year program in August, though without a disclosed pool of its own capital like JPMorgan's.

For critical minerals investors, I would watch four things over the next year:

- **Andrew Frame's first deals**, which will reveal the ticket size and project stage JPMorgan actually backs in mining.
- **The first named SRI recipients outside the United States**, now that the initiative covers the UK, continental Europe and Canada.
- **Whether the money reaches the midstream**: refining, separation, recycling and magnets, not just more mines.
- **Closed financings, binding offtakes and commissioned**

capacity, which say far more about resilience than any funding headline or one-day share price spike.

The opportunity is real, especially now that the initiative reaches across allied markets. But the winners will be the companies that pair strategic necessity with proven execution and durable revenue, not those that rely on the critical minerals label alone.