

# U.S. Rare Earth Processor Locks In Supply Ahead of 2027 Cutoff

14:00 Uhr | [CNW](#)

FN Media Group Presents Oilprice.com Market Commentary

REAlloys (ALOY) has signed an agreement to secure supply from one of the highest-grade rare earth deposits in the U.S. with just nine months remaining before U.S. defense rules force the removal of Chinese material from the supply chain. One company mentioned in today's commentary includes: Realloys Inc. (ALOY), [Freeport-McMoRan Inc.](#) (NYSE: FCX), [Lithium Americas Corp.](#) (NYSE: LAC), [Lynas Rare Earths Ltd.](#) (OTCQX: LYSDY), The Metals Company (NASDAQ: TMC), Electra Battery Materials Corp. (NASDAQ: ELBM).

The memorandum of understanding with U.S. Critical Materials Corp. gives REAlloys access to up to 10% of production from the Sheep Creek project in Montana, with confirmed dysprosium, terbium, yttrium, and NdPr, the rare earth elements used in high-performance magnets for fighter aircraft, missile guidance systems, radar platforms, and other advanced defense systems.

REAlloys will convert rare earth oxides into metals and magnet-grade alloys, and is building one of the only integrated manufacturing platforms in North America capable of producing heavy rare earth metals at an industrial scale. The Sheep Creek agreement adds a domestic source of dysprosium and terbium into that system, reducing reliance on foreign feedstock and tightening control over a supply chain that does not yet exist at scale inside the United States.

The timeline is tight. As of January 2027, rare earth materials of Chinese origin will be banned from use in American military defense systems. That deadline looms large; not only because of a raging conflict in the Middle East that is consuming vast quantities of weapons that depend on rare earth metals, but because these magnet-grade alloys are where the U.S. supply chain breaks down.

"Metallization is one of the least developed parts of the value chain outside China," REAlloys co-founder Tim Johnston said previously. "Even with strong execution and capital, you are looking at a multi-year timeline to build that capability."

## THE LOOMING GAP IN AMERICAN DEFENSE

While rare earth elements themselves aren't actually that rare, with deposits across North America, Europe, and Australia, the bottleneck downstream is a more serious bottleneck.

"Rare earth elements are relatively widespread geologically; what is scarce is the industrial capability to economically separate them into high-purity oxides and then convert them into metals and alloys at scale," REAlloys co-founder Tim Johnston said in an interview with Oilprice.

China controls the vast majority of global rare earth processing and metallization capacity. While mining operations exist worldwide, the conversion of those materials into finished metals and magnets has remained heavily concentrated within China's industrial ecosystem. That's where we hit the critical chokepoint.

"If China said we're not going to give you rare earths," said Saskatchewan Research Council CEO Mike Crabtree in a recent interview, "that means no F-35s, no missiles."

Washington is moving fast, now, to secure this supply chain for American defense. The Defense Logistics Agency recently awarded a contract to Terves LLC, whose technology is now part of the REAlloys platform, to advance metallothermal processing of samarium and gadolinium metals. The project includes engineering design work for a modular facility capable of producing 300 tons per year, a structure intended to be replicated as demand expands.

Federal financing channels are opening at the same time. The Export-Import Bank of the United States has issued a letter of interest for up to \$200 million tied to rare earth processing expansion connected to the REAlloys platform, signaling potential large-scale backing for domestic midstream and metallization capacity. Now, REAlloys is moving ahead with its commercial-scale heavy rare earth metallization facility for a fully allied, zero-China supply chain for defense-critical materials, and in 2027.

### The Big Defense Names Behind It All

Earlier this week, REAlloys brought in Joe Kasper, former Chief of Staff to the U.S. Secretary of Defense, adding a senior supply chain official to its advisory board. He joins General Jack Keane, former Vice Chief of Staff of the U.S. Army, and duMont, president of GM Defense.

This is not a typical advisory group. These are people who know defense procurement really well, and have led the process to decide who gets qualified, who gets funded, and who actually supplies material into weapons systems. Behind that layer is an operating platform already producing material.

REAlloys will run metallization out of Euclid, Ohio, converting rare earth oxides into finished metals and magnet-grade alloys in the form required by defense contractors. That step remains limited in the United States.

The rest of the system is already connected. The Saskatchewan Research Council will produce separated oxides in Canada (commercial production expected by the end 2026/ early 2027). Those materials move to Ohio, where they are converted into metals and alloys, creating a mine-to-metal chain aligned with U.S. procurement requirements.

REAlloys (ALOY) has secured most of that flow. The company holds offtake on roughly 80% of SRC's output, giving it control over one of the few non-Chinese streams of heavy rare earth supply.

Phase 1 targets roughly 525 tonnes per year of NdPr metal, with dysprosium and terbium feeding through the same system. Phase 2 expands that to about 3,000 tonnes of NdPr metal, 200 tonnes of dysprosium metal, 45 tonnes of terbium metal, and 20,000 tonnes of finished magnets.

### THE SUPPLY CHAIN CAN'T KEEP UP

The cost of the Iran conflict reached \$11.3 billion by day six and \$16.5 billion by day 12, with a large share tied to precision munitions. They're blowing through weapons systems run on rare earth metals. And at the same time, pressure is building on the supply side.

Recent reporting from Reuters and coverage in Asian media point to tightening availability of key rare earth materials, with defense-linked inventories potentially measured in months if disruptions deepen. These materials sit inside missile guidance systems, drones, radar, and fighter aircraft electronics.

"You can't fight a 21st-century war with twentieth-century supply chains," said Lipi Sternheim, CEO of REAlloys. "Modern militaries rely on materials that are difficult to source, difficult to process, and difficult to replace once inventories begin to tighten."

And the West is already paying a premium, with European buyers already paying 2-3X more for usable material than the prices quoted inside China. Supply is limited, buyers step in only when they have no choice, and transactions are clearing at elevated levels, while China's domestic market remains controlled.

REAlloys is stepping into this critical setup with a fully funded commercial buildout of the most challenging part of America's rare earths metals supply chain, and it's got the Who's Who of defense behind it, along with Pentagon contracts and a looming crisis that gives defense contractors no choice but to buy American.

Other companies to keep an eye on as the resource squeeze accelerates:

Freeport-McMoRan Inc. (FCX) stands among the world's largest copper producers, with flagship operations at the Grasberg

complex in Indonesia and major mining districts across Arizona, New Mexico, and Peru. Although gold and molybdenum contribute to revenue, copper is the company's central exposure, and the metal remains indispensable to electrification, grid modernization, and industrial decarbonization.

The transition of Grasberg from open-pit to underground block-cave mining has extended mine life and stabilized long-term production from one of the world's highest-grade deposits. In the United States, Freeport continues to optimize brownfield expansion through throughput improvements to incrementally lift production without relying solely on greenfield permitting.

Lithium Americas Corp. (LAC) is advancing the Thacker Pass project in Nevada, one of the largest identified lithium chloride resources in North America. The project has secured a substantial loan commitment from the U.S. Department of Energy and strategic equity participation from General Motors, underscoring its importance to domestic battery supply chains.

Following the separation of its North American and Argentine operations, the company is singularly focused on construction and phased development of Thacker Pass. Early works and site preparation are underway, with Phase 1 production targeted for the early part of this decade.

If successfully executed, Thacker Pass could become a cornerstone source of U.S. lithium carbonate, materially reducing the country's reliance on imports. The project's scale and federal backing position Lithium Americas as a central participant in efforts to localize critical mineral production within North America.

Lynas Rare Earths Ltd. (LYSDY) remains the leading producer of separated rare earth materials outside China. The company has restructured its processing chain to mitigate regulatory risk and expand long-term throughput.

The Kalgoorlie cracking and leaching plant in Western Australia is fully operational, allowing Mt Weld concentrate to be processed domestically and radioactive residues to be managed before shipment. This shift has enhanced supply security while addressing prior Malaysian regulatory concerns.

In the United States, Lynas is progressing construction of its Seadrift, Texas heavy rare earth separation facility, supported by U.S. Department of Defense funding. The plant will produce dysprosium and terbium critical to high-temperature magnets used in defense applications.

The Metals Company's (TMC) NORI-D project is estimated to contain enough Nickel, Cobalt, Copper, and Manganese to meet the requirements of 280 million electric vehicles, roughly the size of the entire U.S. light vehicle fleet. Because these nodules are "on the seafloor" rather than ore buried in the ground, TMC's collection process eliminates the need for blasting, tailings management, and deforestation typically associated with terrestrial mining. Peer-reviewed studies in 2025 and 2026 have suggested that seafloor mining could reduce the lifecycle carbon impact of battery metals by up to 90% compared to land-based ores.

TMC is currently working with Benchmark Mineral Intelligence to finalize a Life Cycle Assessment that will prove the environmental benefits of seafloor nodules to Western automakers and defense contractors. While environmental NGOs remain cautious, the U.S. government's push to find "non-terrestrial" sources of cobalt and nickel, both currently dominated by China and the Democratic Republic of the Congo, provided TMC with significant political tailwinds. As the company moves toward its first commercial recovery in late 2026, NORI-D stands as the ultimate "wildcard" in the race for critical mineral sovereignty.

Electra Battery Materials (ELBM) is the only company currently building a dedicated battery-grade cobalt sulfate refinery in North America. Located in Ontario, Canada, the facility is a "brownfield" asset that is being refurbished and expanded to provide a direct midstream link between cobalt mines and battery cathode plants. In February 2026, Electra's board approved a \$73 million construction budget to finalize the refinery, with mechanical completion targeted for mid-2027 and early commissioning beginning in the fourth quarter of 2026.

The refinery is a critical piece of the Inflation Reduction Act (IRA) puzzle, as it will allow automakers like LG Energy Solution (who has signed an offtake agreement for 80% of the refinery's production) to claim full U.S. tax credits. Electra's facility is designed to process 6,500 tonnes of cobalt sulfate annually, which is enough to power over 1 million EVs. To ensure ethical sourcing, the company has secured feedstock through global traders like Glencore, while simultaneously exploring long-term supply options from a cobalt project in Idaho.

By. Charles Kennedy

The AI boom is triggering an unexpected and unprecedented bull run in natural gas and power stocks. If you aren't paying attention, you're missing out.

to the energy demands of data centers, you will miss the biggest energy story of the decade. The smart money is already moving into the few companies prepared to power the trillion-dollar AI machine.

Oilprice Intelligence brings you the inside view on where the next gains will come from, breaking down the market's big driver with analysis from veteran oilmen and experts. Click here to get this crucial intel for free

#### FORWARD LOOKING STATEMENTS

This publication contains forward-looking statements, including statements regarding expected continual growth of the companies and/or industry. The Publisher notes that statements contained herein that look forward in time, which include everything other than historical information, involve risks and uncertainties that may affect the companies' actual results of operations. Factors that could cause actual results to differ include, but are not limited to, changing governmental laws concerning, among other things, recreational and medical cannabis sales, success of the company's proprietary technology, size and growth of the market for the company's products and services, the company's ability to fund its capital requirements near term and long term, pricing pressures, etc.

#### IMPORTANT NOTICE AND DISCLAIMER

Neither the author nor the publisher, Oilprice.com, was paid to publish this communication concerning REAlloys (ALOY). Oilprice.com owns shares and/or stock options of the featured company and therefore has an incentive to see the featured company's stock perform well. The owner of Oilprice.com may buy or sell shares of the featured company at any time in or near the time you receive this communication. This share ownership should be viewed as a major conflict with our ability to be unbiased. This is why we stress that you conduct extensive due diligence as well as seek the advice of your financial advisor or registered broker-dealer before investing in any securities.

This communication is not, and should not be construed to be, an offer to sell or a solicitation of an offer to buy any securities. Neither this communication nor the Publisher purport to provide a complete analysis of any company or its financial position. The Publisher is not, and does not purport to be, a broker-dealer or registered investment adviser. This communication is not, and should not be construed to be, personalized investment advice directed to or appropriate for any particular investor. An investment decision should be made only after consulting a professional investment advisor and only after reviewing the financial statements and other pertinent corporate information about the company. Further, readers are advised to read and carefully consider the Risks identified and discussed in the advertised company's SEC, SEDAR and/or other government filings. Investing in securities is speculative and carries a high degree of risk. Past performance does not guarantee future results. This communication contains information generally available to the public and does not contain any material, non-public information. The information contained herein is based on information believed to be reliable. Nevertheless, the Publisher cannot guarantee the accuracy or completeness of the information.

#### INDEMNIFICATION/RELEASE OF LIABILITY

By reading this communication, you acknowledge that you have read and understand this disclaimer, and further that to the greatest extent permitted under law, you release the Publisher, its affiliates, assigns and successors from any and all liabilities, damages, and injury from this communication. You further warrant that you are solely responsible for any financial outcomes that may come from your investment decisions.

#### TERMS OF USE

By reading this communication you agree that you have reviewed and fully agree to the Terms of Use found here <http://oilprice.com/terms-and-conditions>. If you do not agree to the Terms of Use <http://oilprice.com/terms-and-conditions>, please contact Oilprice.com to discontinue receiving future communications.

#### INTELLECTUAL PROPERTY

Oilprice.com is the Publisher's trademark. All other trademarks used in this communication are the property of their respective trademark holders. The Publisher is not affiliated, connected, or associated with, and is not sponsored, approved, or endorsed by the trademark holders unless otherwise stated. No claim is made by the Publisher to any rights in any third-party trademarks.

This press release was distributed on behalf of REAlloys (ALOY)

**DISCLAIMER:** OilPrice.com is Source of all content listed above. FN Media Group, LLC (FNM), is a third party publisher and dissemination service provider, which disseminates electronic information through multiple online media channels. FNM is not affiliated in any manner with OilPrice.com or any company mentioned herein. The commentary, views and opinions expressed in this release by OilPrice.com are solely those of OilPrice.com and are not shared by and do not reflect in any manner the views or opinions of FNM. FNM is not liable for any investment decisions by its readers or subscribers. FNM and its affiliated companies are a news dissemination and financial marketing solutions provider and are NOT a registered broker/dealer/analyst/adviser. FNM does not hold any investment licenses and may NOT sell, offer to sell or offer to buy any security. FNM was not compensated by any publisher.

mentioned herein to disseminate this press release but was compensated twenty four hundred dollars by REalloys to do so. This release is for informational purposes only and should not be construed as an offer or solicitation of securities. FNM does not intend to release on behalf of the company. #tickertagpressreleases #pressrelease #stockalerts

FNM HOLDS NO SHARES OF ANY COMPANY NAMED IN THIS RELEASE.

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, plans, results, or strategies and are generally preceded by words such as "may", "future", "plan" or "planned", "should", "expected", "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in a company's annual report on Form 10-KSB and other filings made by such company with the Securities and Exchange Commission. You should consider these risks in evaluating the forward-looking statements included herein, and not place undue reliance on such statements. The forward-looking statements in this release are made as of the date hereof and FNM undertakes no obligation to update these statements.

#### Contact Information:

---

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Media Contact: [editor@financialnewsmedia.com](mailto:editor@financialnewsmedia.com)

<https://www.rohstoff-welt.de/news/728693--U.S.-Rare-Earth-Processor-Locks-In-Supply-Ahead-of-2027-Cutoff.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der Quelle. Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer](#)

---

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!  
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).

[info@oilprice.com](mailto:info@oilprice.com)

View original

content:<https://www.prnewswire.com/news-releases/us-rare-earth-processor-locks-in-supply-ahead-of-2027-cutoff-302>

SOURCE OilPrice.com