

Strategic Materials as U.S. Industrial Strategy

Rare Earths, Antimony, Tungsten, Lithium, Graphite, Copper
and Defense Alloys

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Prepared for investors evaluating the Strategic Materials theme group.

Thesis in one sentence: The investable strategic-materials theme has shifted from a commodity basket to a government-underwritten industrial-base trade in which the highest-quality names control scarce bottlenecks and already have federal equity, offtake, loan, price-floor, stockpile or procurement support.

Highest-conviction core: MP, Energy Fuels, Lynas, Perpetua, Almonty, Lithium Americas, USA Rare Earth, ATI, Carpenter and U.S. Antimony.

Important notice: This report is for research and watchlist construction only. It is not individualized investment, legal, tax or accounting advice. Public-policy announcements, federal financing terms, commodity prices, permitting outcomes and equity valuations can change quickly.

Executive Summary - Prepared by Jerry A, Chief Market Strategist, DTS Strategies

The Strategic Materials sleeve in the prior DTS Strategies / C3PO Research white paper identified MP Materials, Lynas, Neo Performance Materials, ATI, Nucor, and Steel Dynamics as a 10% growth allocation. The original thesis centered on an emerging federal de-risking model—then described as “stake-plus-offtake-plus-price-floor”—that combines public co-investment, government-anchored demand, and downside price protection. That model is now the defining policy architecture for the theme. Through equity stakes, preferred shares, warrants, loans, offtake agreements, procurement contracts, stockpile purchases, and price floors, the government is increasingly working to make strategic U.S. and allied supply chains financeable. The investment implication is clear: the most attractive opportunities are no longer simply the companies with exposure to critical materials, but those positioned at chokepoints where federal capital, assured demand, and price protection can directly reduce project risk and accelerate commercial scale.

The current opportunity is not simply mining. The federal playbook is moving from extraction to full-chain capability: mine, separate, refine, alloy, magnetize, qualify, procure and stockpile. The watchlist should therefore prioritize control of bottlenecks rather than broad commodity exposure.

The most important bottlenecks today are rare-earth separation and magnets, heavy rare earths, antimony, tungsten, graphite/anode materials, lithium-boron, scandium/niobium, copper, and specialty aerospace/defense alloys. These materials are linked to defense readiness, aircraft, missiles, batteries, grid hardware, AI data centers, and resilient domestic manufacturing.

The highest-quality core name remains MP Materials because it combines U.S. production, downstream magnets, direct federal equity, warrants, price-floor economics and commercial OEM validation. The most attractive next bottleneck candidate is Energy Fuels because it is demonstrating heavy-rare-earth oxide production in the United States. The most interesting defense bottleneck names are Perpetua Resources, United States Antimony and Almonty Industries.

Sources: S00, S03, S04, S05, S07, S08, S16, S18, S20

Recommended Watchlist Construction

- Core strategic-materials platforms: MP | MP Materials; UUUU | Energy Fuels; LYSCF | Lynas; USAR | USA Rare Earth.
- Defense bottleneck materials: Perpetua, United States Antimony, Almonty, NioCorp, Trilogy.
- Battery/grid/industrial-policy materials: Lithium Americas, Loneer, Nouveau Monde Graphite, Neo, Nucor, Steel Dynamics, ATI and Carpenter.
- Speculative policy optionality: AREC/ReElement exposure, The Metals Company, Critical Metals, Syrah and Westwater.

Portfolio implication: emphasize companies with signed or funded economics, producing assets, qualified products, or credible customer validation. Treat high-beta policy names as milestone-driven watchlist candidates until final agreements, dilution terms, permitting status, and customer qualification are verified.

Conviction-Ranked Summary

Rank	Symbol	Company	Conviction thesis	Primary catalysts	Policy / governance diligence
1	MP	MP Materials	U.S. rare-earth national champion: mine, separation, magnets, DoD economics.	10X, NdPr price floor, heavy REE separation, GM/Apple ramp.	Direct DoD preferred equity, warrants, price floor and offtake.
2	UUUU / EFR.TO	Energy Fuels	Best next heavy-rare-earth bottleneck candidate with U.S. Tb/Dy capability.	HREE qualification, Vulcan/OEM offtake, possible price-floor support.	Policy-adjacent; tied to DoW-backed Vulcan magnet chain via MOU.
3	LYC.AX / LYSCF / LYSDY	Lynas Rare Earths	Largest established ex-China rare-earth producer with allied scale.	DoW supply agreement, \$110/kg NdPr floor, heavy REE allocation.	Binding DoW LOI and price-floor framework.
4	PPTA	Perpetua Resources	Largest scalable U.S. gold-antimony project; antimony is a defense choke point.	EXIM final vote, Army/INL pilot, antimony offtake partner.	EXIM proposed loan plus Army/INL/DOTC antimony program.
5	ALM / ALMTF / AII	Almonty Industries	Non-China tungsten producer with defense offtake and Sangdong ramp.	Commercial ramp, defense volumes, potential federal support.	U.S. defense offtake; former U.S. Army generals in leadership/board.
6	LAC	Lithium Americas	U.S. lithium anchor project with direct DOE equity/economic stake.	Construction, DOE draw, GM milestones, lithium price recovery.	DOE warrants for 5% parent stake and 5% JV economics.
7	USAR	USA Rare Earth	High-beta second U.S. rare-earth champion candidate.	Final Commerce/DOE agreements, Round Top, Stillwater magnet ramp.	Commerce/DOE LOI; reported Cantor/Lutnick oversight questions to diligence.
8	ATI	ATI Inc.	Quality aerospace/defense specialty-alloy compounder.	Jet engine/airframe/defense demand and margin expansion.	Indirect defense-industrial-base policy beneficiary.
9	CRS	Carpenter Technology	Specialty-alloy leader with record profits and A&D revenue mix.	Operating leverage, aerospace/defense demand, capital returns.	Indirect defense-industrial-base policy beneficiary.
10	UAMY	United States Antimony	Direct DLA antimony stockpile supplier; high-risk but direct catalyst.	DLA deliveries, further stockpile awards, feedstock expansion.	DLA sole-source contract; Gen. Jack Keane on board.
11	TMQ	Trilogy Metals	Ambler critical-minerals option with direct U.S. equity signal.	Investment closing, Ambler Road, Arctic permitting.	White House Ambler approval; U.S. 10% stake plus warrants.
12	IONR	Ioneer	Lithium-boron project with DOE loan and court-upheld permit.	Construction funding, partner milestones, appeals.	DOE loan guarantee and federal permitting support.

Sources: S07, S08, S10, S11, S16, S18, S20, S23, S25, S36, S37

1. Current Policy Backdrop

The policy center of gravity has moved from grants to balance-sheet tools.

The current administration's mineral production and processed critical minerals actions direct agencies toward faster permitting, domestic processing, trade remedies, price floors, federal financing, procurement and stockpiling. This creates a more investable framework because companies with the right bottlenecks can receive non-dilutive or partially dilutive support that narrows the gap between strategic need and private-market economics.

Processing is the key policy target, not just mining.

The January 2026 processed critical minerals proclamation explicitly recognizes that domestic mining alone does not solve the national-security problem if processing remains dependent on foreign sources. That is why the highest-purity names are not simply miners. They are companies that can separate oxides, produce alloys, manufacture magnets, qualify anode materials or supply defense-grade metals.

Price floors are now a live policy instrument.

The MP and Lynas rare-earth arrangements use the \$110/kg NdPr floor-price construct, while the January 2026 White House fact sheet states that the Administration will promote price floors for processed critical minerals with allies. This is critical for investors because it changes the downside case for select domestic processors while increasing the probability that otherwise uneconomic capacity gets built.

Project Vault adds a demand-side layer.

EXIM's Project Vault and the Strategic Critical Minerals Reserve introduce a potential buyer, financier or backstop for materials deemed strategically important. It should be monitored for specific material inclusion, participant rules, storage economics, and whether private-sector industrial users receive emergency-access rights.

Sources: S01, S02, S03, S04, S05

Policy mechanisms to track

Mechanism	Investment relevance	Primary watchlist names
Direct federal equity or warrants	Government becomes economic stakeholder. Strongest signal when combined with procurement or price floors.	MP, LAC, USAR, Trilogy, Vulcan/ReElement
Offtake / stockpile / procurement	Creates demand visibility and may compress financing risk.	MP, Lynas, UAMY, Perpetua, Almonty
Price floor / contract-for-difference	Can make domestic processing financeable despite China price pressure or thin Western demand.	MP, Lynas; watch Energy Fuels and USAR
Federal loans / guarantees	Reduces capital cost and validates strategic priority, but does not eliminate construction risk.	LAC, Loneer, Perpetua, USAR, Vulcan/ReElement
Tariffs / Section 232	Raises domestic price support and may reshape trade flows.	NUE, STLD, copper and processed mineral exposures
Permitting acceleration	Compresses timeline for strategic projects but may increase litigation/governance risk.	Trilogy/Ambler, TMC, Perpetua, loneer

2. Investment Framework: Bottlenecks Before Commodities

Our belief is the best watchlist should be built around bottleneck control. A company deserves a higher rank when it satisfies four or more of the following criteria:

- Controls U.S. or allied production of a material with defense or critical-infrastructure relevance.
- Can process, separate, refine, alloy, magnetize or qualify the material - not merely mine it.
- Has direct federal economics: equity, warrants, loans, offtake, price floors, or stockpile contracts.
- Has commercial OEM validation or a credible path to qualification.
- Has manageable permitting, financing and construction risk relative to upside.
- Has policy linkage or governance context that is useful for diligence but not the sole investment thesis.

Sources: S03, S04, S05

The DTS Strategies Conviction scoring rubric

Factor	Question	Weight
Strategic scarcity	Does the company control a true bottleneck, not just a broad commodity?	25%
Federal economic support	Has the government written a check, taken warrants, signed offtake, guaranteed a price, or issued a stockpile contract?	25%
Execution reality	Is the company already producing, qualifying, or building with credible partners?	20%
Commercial demand	Are there customers beyond government policy?	15%
Governance / political risk	Are ties clearly classified and manageable rather than opaque or thesis-defining?	15%

3. Policy Linkage and Governance Diligence Matrix

Policy linkages should be separated into evidence categories. Signed agency economics are investable evidence. Lobbying activity, board or management background, investor affiliations, and prior government service are diligence context only. They should be read only as context for public-record diligence.

Sources: S12, S15, S26, S39, S41, S42, S43, S44

Company	Tie strength	Evidence	Connection type
MP	5/5	DoD equity/warrants, price floor, offtake and loan support.	Direct federal economics
USAR	5/5	Commerce/CHIPS LOI plus DOE collaboration; reported Congressional oversight letter regarding Cantor/Lutnick affiliation.	Direct federal economics + governance diligence
LAC	5/5	DOE parent-company and JV economic stakes via warrants; reported lobbying activity before the deal.	Direct DOE economics + lobbying diligence
Trilogy	5/5	White House Ambler Road approval; U.S. government 10% stake and warrants.	Direct federal equity + permitting
Vulcan/ ReElement/AREC	5/5	DoW OSC conditional loan and warrants; Commerce equity in Vulcan; reported investor-affiliation diligence around Vulcan.	Direct federal economics + investor-affiliation diligence
Lynas	4/5	Binding DoW LOI and \$110/kg NdPr price floor.	Agency offtake / price floor
UAMY	4/5	DLA sole-source stockpile contract; retired General Jack Keane on board.	Direct procurement + board-background diligence
Perpetua	4/5	EXIM proposed loan and Army/INL antimony pilot.	Federal loan + defense R&D
Almonty	3/5	Defense-contractor offtake and retired U.S. Army generals on board/management.	Defense-adjacent
loneer	3/5	DOE loan guarantee and federal permit validation.	Federal financing / permitting
NioCorp	3/5	DoD/Title III award for scandium supply chain.	Federal award

ATI / CRS / NUE / STLD	2/5	Defense/industrial policy beneficiaries; no direct company-specific federal equity tie identified.	Policy beneficiaries
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Relevant Agencies and Why They Matter

Official	Role	Relevance to Strategic Materials	Source
Howard Lutnick	Secretary of Commerce	Commerce is central to Section 232, CHIPS-linked incentives, USAR, tariffs and industrial-finance policy.	S41
Chris Wright	Secretary of Energy	DOE/energy-finance programs are relevant to LAC, loneer, USAR and domestic processing infrastructure.	S42
Doug Burgum	Secretary of the Interior	Interior/USGS/permitting matters affect critical-minerals list, federal lands, Ambler and mine approvals.	S43
Pete Hegseth	Secretary of War	DoW/DoD support is central to MP, Lynas, Vulcan/ReElement, UAMY, NioCorp, Trilogy and defense bottlenecks.	S44

4. Tier 1 - Core Strategic-Materials Platforms

1. MP Materials (MP)

Description: U.S. rare-earth mine-to-magnet platform anchored by Mountain Pass, Texas magnetics, planned 10X magnet facility, and heavy rare-earth separation expansion.

Why it is poised to grow: Most complete U.S. strategic-materials platform. It combines operating upstream production, downstream magnet manufacturing, direct federal economics, and OEM validation.

Catalysts: 10X site/buildout; DoD preferred equity/warrant closing and milestones; NdPr price-protection income; heavy REE separation loan; GM/Apple ramp; Section 232 price-floor architecture.

Policy / governance diligence: Very strong direct federal tie: DoD preferred equity, warrants, price floor, magnet offtake, and loan support. Public company commentary and federal releases frame the agreement as part of the current U.S. rare-earth supply-chain policy effort.

Key risks and diligence: National-champion scrutiny; monitor warrant dilution, price-floor mechanics, and procurement concentration.

Sources: S07, S03, S04

2. Energy Fuels (UUUU / EFR.TO)

Description: White Mesa processing platform moving beyond uranium into separated light and heavy rare-earth oxides, including terbium and dysprosium.

Why it is poised to grow: Best candidate to become the next U.S. heavy-rare-earth bottleneck beneficiary. Evidence of U.S. terbium oxide production changes the story from concept to early capability.

Catalysts: Terbium/dysprosium qualification; commercial HREE output; expanded monazite feedstock; definitive Vulcan or OEM offtake; possible DoW/DOE price floor or stockpile support.

Policy / governance diligence: Policy-adjacent and strategically relevant. No direct federal equity has been disclosed; Energy Fuels is aligned with the DoW-backed Vulcan magnet chain through its MOU.

Key risks and diligence: Monitor feedstock contracts, purity specs, and whether HREE production attracts federal offtake/price support.

Sources: S08, S09, S13

3. Lynas Rare Earths (LYC.AX / LYSCF / LYSDY)

Description: Largest established ex-China rare-earth producer; allied supplier with Australia/Malaysia production and U.S./Japan supply frameworks.

Why it is poised to grow: Operating scale and allied-supply status make Lynas a lower-execution-risk way to play rare-earth price floors and ex-China demand.

Catalysts: Definitive DoW supply contract; \$110/kg NdPr floor implementation; heavy REE output allocation; Japan JARE support; allied critical-minerals procurement.

Policy / governance diligence: Strong agency tie through a binding LOI with the U.S. Department of War for rare-earth oxide supply and price-floor economics. No individual official relationship is part of the thesis.

Key risks and diligence: Texas facility uncertainty and jurisdictional regulatory risk; lower U.S.-political upside than MP/USAR.

Sources: S10

7. USA Rare Earth (USAR)

Description: U.S. mine-to-magnet scale-up around Round Top feedstock, Stillwater magnet manufacturing, and proposed heavy-REE processing/metal/alloy capacity.

Why it is poised to grow: Large federal support could create a second U.S. rare-earth champion, but execution and governance risk are higher than MP or Lynas.

Catalysts: Final Commerce/DOE funding agreements; PIPE/financing close; Round Top progress; Stillwater magnet ramp; Serra Verde supply integration; procurement/offtake announcements.

Policy / governance diligence: Very strong direct Commerce/DOE linkage through a \$1.6 billion non-binding LOI. Reported Congressional oversight questions regarding Cantor Fitzgerald's placement-agent role should be treated as governance diligence and should not be extended beyond the cited public record.

Key risks and diligence: Treat reported oversight questions as diligence items and do not draw conclusions beyond the cited public record. Watch dilution, funding conditions, and technical milestones.

Sources: S11, S12, S41

Tier 1 assessment

MP is the institutional anchor. Energy Fuels is the highest-conviction next-bottleneck candidate because heavy rare-earth separation remains one of the most difficult steps in the magnet supply chain. Lynas remains the best allied operating scale platform. USA Rare Earth has national-champion upside but should be sized as a high-beta, high-scrutiny execution story.

5. Tier 2 - Defense Bottleneck Materials

4. Perpetua Resources (PPTA)

Description: Stibnite project is a premier U.S. gold-antimony asset with defense relevance and a developing antimony trisulfide supply chain.

Why it is poised to grow: Antimony is a small-market defense choke point. Perpetua offers the larger-scale domestic mining solution and has EXIM and Army/INL validation.

Catalysts: EXIM final approval after Congressional notice; early works; Army/INL pilot plant; antimony offtake/RFP selection; gold price support; FAST-41/permitting milestones.

Policy / governance diligence: Strong federal-program tie: EXIM proposed loan; Army/INL/ DOTC antimony pilot; defense munitions relevance. No individual current-official relationship identified.

Key risks and diligence: Permitting, environmental litigation, and project-finance risk remain significant; monitor antimony processing partner and construction schedule.

Sources: S16, S17, S45

5. Almonty Industries (ALM / ALMTF / AII)

Description: Allied tungsten producer ramping Sangdong in South Korea with a binding offtake for U.S. defense applications and a new U.S. headquarters.

Why it is poised to grow: Tungsten is a defense bottleneck that receives less investor attention than rare earths. Almonty has explicit defense offtake and credible non-China supply.

Catalysts: Sangdong commercial ramp; U.S. defense customer volumes; potential federal financing; headquarters transition; tungsten price strength.

Policy / governance diligence: Defense-adjacent: binding offtake for U.S. defense uses; U.S. headquarters; former senior U.S. Army generals added as directors or senior leadership.

Key risks and diligence: Monitor offtake margins, customer concentration, Korean ramp, and whether U.S. support becomes direct.

Sources: S20, S21

10. United States Antimony (UAMY)

Description: Antimony processor/supplier with sole-source DLA contract to replenish the National Defense Stockpile.

Why it is poised to grow: Direct procurement catalyst and scarce North American antimony processing exposure. High volatility but unusually direct defense-stockpile relevance.

Catalysts: DLA deliveries; incremental stockpile awards; antimony price strength; feedstock expansion; defense applications.

Policy / governance diligence: Strong direct procurement tie via DLA contract. Board-background diligence: retired General Jack Keane joined the board before the contract period.

Key risks and diligence: Small-cap execution risk, feedstock availability, customer concentration, and governance diligence are central.

Sources: S18, S19

11. Trilogy Metals (TMQ)

Description: Upper Kobuk / Ambler District developer with U.S. government strategic investment linked to Alaska critical-minerals access.

Why it is poised to grow: One of the strongest federal-equity signals in the space, though the project is early-stage and road/permitting risk is high.

Catalysts: U.S. investment closing; Ambler Road financing/permitting; Arctic project permitting; drilling results; partner funding.

Policy / governance diligence: Very strong federal policy linkage: White House Ambler approval and U.S. government investment for 10% stake plus warrants.

Key risks and diligence: Government investor and policy roles warrant governance and permitting diligence; environmental and Alaska Native community opposition remain important.

Sources: S23, S24

17. NioCorp Developments (NB / NIOBF)

Description: Elk Creek project targeting scandium and other critical minerals with DoD support for a domestic scandium supply chain.

Why it is poised to grow: Scandium has aerospace/defense alloy relevance and very limited U.S. supply, but the project financing gap is material.

Catalysts: DPA award execution; Lockheed/alloy work; project financing; EXIM/DOE support; updated technical report.

Policy / governance diligence: Moderate direct federal tie: DoD Title III award to subsidiary for domestic mine-to-master-alloy scandium development.

Key risks and diligence: Large capex/financing risk; long timeline and technical qualification.

Sources: S22

Tier 2 assessment

This tier captures the materials that are often smaller markets than rare earths but more urgent for defense readiness. Antimony and tungsten are particularly important because demand can be dominated by government procurement and stockpile decisions. That creates powerful upside but also concentrated customer and execution risk.

6. Tier 3 - Battery, Grid and Broader Industrial Materials

Symbol	Company	Exposure	Why it matters	Catalysts	Policy / governance diligence
LAC	Lithium Americas	Lithium carbonate	U.S. lithium anchor project with direct DOE equity/economic stake.	Construction, DOE draw, GM milestones, lithium price recovery.	DOE warrants for 5% parent stake and 5% JV economics.
ATI	ATI Inc.	Specialty alloys; nickel/titanium/exotic alloys	Quality aerospace/defense specialty-alloy compounder.	Jet engine/airframe/defense demand and margin expansion.	Indirect defense-industrial-base policy beneficiary.
CRS	Carpenter Technology	Specialty alloys; aerospace/defense materials	Specialty-alloy leader with record profits and A&D revenue mix.	Operating leverage, aerospace/defense demand, capital returns.	Indirect defense-industrial-base policy beneficiary.
IONR	Ioneer	Lithium; boron	Lithium-boron project with DOE loan and court-upheld permit.	Construction funding, partner milestones, appeals.	DOE loan guarantee and federal permitting support.
NMG / NOU.T O	Nouveau Monde Graphite	Graphite; anode feedstock	Allied graphite platform with Canada/customer offtake support.	FID, Canada offtake, Panasonic/Traxys milestones.	Allied-policy tie; indirect U.S. relevance.
NEO.T O / NOPM F	Neo Performance Materials	Rare earth separation; magnets	European rare-earth separation plus magnet platform.	Estonia HREE ramp, customer qualification, Bosch capacity.	Allied-policy beneficiary; no direct U.S. tie identified.
NUE	Nucor	Steel	Domestic steel ballast under Section 232 protection.	Tariff enforcement, reshoring, steel demand.	Policy beneficiary through steel tariff regime.
STLD	Steel Dynamics	Steel	Efficient domestic steel exposure to reshoring and tariffs.	Tariff enforcement, manufacturing demand, buybacks.	Policy beneficiary through steel tariff regime.

Sources: S25, S27, S28, S29, S34, S35, S36, S37, S38, S46

Tier 3 assessment

Tier 3 is less about rare-earth headlines and more about the industrial base. ATI and Carpenter may be higher-quality businesses than many project developers. Lithium Americas and Ioneer have strong federal financing signals but remain exposed to lithium economics. Nucor and Steel Dynamics are policy-protected cash-flow ballast, not high-purity strategic-minerals options.

7. Tier 4 - Speculative / Event-Driven Optionality

Symbol	Company	Exposure	Why watch	Catalysts	Policy / governance diligence	Risk
AREC	American Resources / ReElement exposure	Rare earth separation/ recycling; magnets chain	Indirect public exposure to ReElement/Vulcan magnet-chain support.	OSC loan closing, facility milestones, OEM/offtake.	DoW OSC loan/warrants at ReElement/Vulcan level.	Very High
CRML	Critical Metals	Heavy rare earths; lithium optionality	Greenland heavy-REE optionality; very speculative.	Tanbreez milestones, EXIM path, ownership consolidation.	EXIM interest; Cantor investor note; possible U.S. stake discussions.	Very High
TMC	The Metals Company	Polymetallic nodules: nickel, cobalt, copper, manganese	Deep-sea polymetallic nodules option on U.S. seabed policy.	NOAA process, Federal Register, permit decision.	Policy tie through offshore minerals EO/NOAA process.	Very High
SYR.A X / SYAAF	Syrah Resources	Graphite; active anode material	U.S. graphite/AAM processing turnaround candidate.	Tesla dispute resolution, Vidalia qualification, loan compliance.	Legacy DOE financing tie.	Very High
WWR	Westwater Resources	Graphite; anode materials	U.S. graphite optionality; less de-risked than peers.	Qualification, financing, Project Vault graphite inclusion.	General policy beneficiary only.	Very High

Sources: S13, S14, S15, S30, S31, S32, S33, S39, S40, S47

8. Catalyst Calendar

Timing	Catalyst	Why it matters	Primary exposures
0-6 months	Processed critical minerals Section 232 follow-through	Price floors, minimum import prices, tariffs or partner agreements could rerate domestic processors.	MP, Lynas, Energy Fuels, USAR, Neo
0-6 months	Project Vault implementation	Material inclusion, participant list and procurement rules could define the next policy winners.	Rare earths, lithium, copper, antimony, tungsten, graphite
0-12 months	Federal loan/equity closings	Turning LOIs into binding agreements is a critical de-risking event.	USAR, Vulcan/ ReElement, Perpetua, LAC, Ioneer
0-12 months	Defense stockpile procurement	DLA/DoW purchasing can drive near-term earnings and market tightness in small markets.	UAMY, Perpetua, Almonty, NioCorp
12-24 months	Processing qualification milestones	Commercial customers need qualified product, not political announcements.	Energy Fuels, Neo, Lynas, MP, Syrah, NMG
12-36 months	Construction and facility ramps	Actual capacity additions separate national champions from headline-driven juniors.	MP 10X, LAC, Ioneer, Almonty, USAR
24-72 months	Permitting / road / offshore decisions	Projects with large resources can re-rate on regulatory clearance or fail on litigation.	Trilogy, TMC, Perpetua, Critical Metals

Sources: S03, S04, S05, S18, S23, S24, S32, S47

9. Risk Framework

Risk	Description	Diligence response
Policy reversal or delay	A change in agency priorities, legal authority or Congressional oversight can delay or reduce support.	Favor signed contracts and funded agreements over press-release optionality.
Project-finance risk	LOIs are not final credit agreements; capex can inflate and equity can dilute.	Track cash, covenants, milestones, and final loan documents.
Commodity price risk	Lithium, rare earth, copper, steel and graphite prices can move against project economics.	Give higher marks to price floors, offtakes and stockpile demand.
Permitting and litigation	Mines, roads and seabed projects can be delayed by environmental or community opposition.	Size early-stage projects lower; monitor court calendars and permit conditions.
Qualification risk	Defense and OEM customers require exact specs, purity, repeatability and auditability.	Watch product acceptance, sample qualification and repeat orders.
Governance / policy scrutiny	Lobbying activity, investor affiliations, or former-official roles can improve access but may also attract scrutiny.	Classify linkage type and treat reported governance questions as diligence context, not the thesis.

10. Recommended Portfolio Watchlist Architecture

A practical institutional monitor should not be a passive basket. It should divide the theme into strategic core, defense bottlenecks, industrial-base quality, and speculative policy options.

Bucket	Names	Role in watchlist
Strategic Core	MP, Energy Fuels, Lynas, Perpetua, Almonty, Lithium Americas	Best balance of strategic scarcity, federal support and operating plausibility.
High-Beta Policy	USA Rare Earth, UAMY, Trilogy, AREC/ReElement, Critical Metals, TMC, NioCorp	Large upside from government funding or regulatory events, but higher dilution/execution/political risk.
Quality Industrial	ATI, Carpenter, Nucor, Steel Dynamics	Cash-flow ballast and real business quality; less pure but less binary.
Allied Supply Chain	NMG, Neo, Lynas, Almonty, Syrah	Relevant where U.S. policy relies on allies rather than domestic production only.

Diligence checklist

- Verify whether federal support is signed, funded and binding or merely an LOI.
- Separate signed federal agency economics from lobbying activity, board background, investor affiliations, or prior-government-service context.
- Confirm product qualification status, not just resource size.
- Track dilution from warrants, preferred stock, PIPEs and project debt.
- Review permitting, litigation, community and environmental risks.
- Monitor commodity price exposure and whether price floors or offtakes mitigate it.

- Review public filings, lobbying records, and Congressional oversight letters before sizing high-beta policy names.

Appendix A - Full Conviction-Ranked Watchlist

Rank	Score	Tier	Symbol	Company	Exposure	Catalyst	Policy / governance	Risk
1	98	Core	MP	MP Materials	Rare earths; NdPr; heavy REE; magnets	10X, NdPr price floor, heavy REE separation, GM/Apple ramp.	Direct DoD preferred equity, warrants, price floor and offtake.	Medium
2	94	Core	UUUU / EFR.TO	Energy Fuels	Heavy rare earth oxides; uranium optionality	HREE qualification, Vulcan/OEM offtake, possible price-floor support.	Policy-adjacent; tied to DoW-backed Vulcan magnet chain via MOU.	Medium-High
3	92	Core	LYC.AX / LYSCF / LYSDY	Lynas Rare Earths	Light and heavy rare-earth oxides	DoW supply agreement, \$110/kg NdPr floor, heavy REE allocation.	Binding DoW LOI and price-floor framework.	Medium
4	89	Core	PPTA	Perpetua Resources	Antimony; gold; silver	EXIM final vote, Army/INL pilot, antimony offtake partner.	EXIM proposed loan plus Army/INL/DOTC antimony program.	Medium-High
5	87	Core	ALM / ALMTF / AII	Almonty Industries	Tungsten; molybdenum optionality	Commercial ramp, defense volumes, potential federal support.	U.S. defense offtake; former U.S. Army generals in leadership/board.	Medium-High
6	84	Core	LAC	Lithium Americas	Lithium carbonate	Construction, DOE draw, GM milestones, lithium price recovery.	DOE warrants for 5% parent stake and 5% JV economics.	Medium-High
7	83	High Beta Core	USAR	USA Rare Earth	Rare earths; heavy REE; magnets	Final Commerce/DOE agreements, Round Top, Stillwater magnet ramp.	Commerce/DOE LOI; reported Cantor/Lutnick oversight questions to diligence.	High
8	80	Quality Industrial	ATI	ATI Inc.	Specialty alloys; nickel/titanium/exotic alloys	Jet engine/airframe/defense demand and margin expansion.	Indirect defense-industrial-base policy beneficiary.	Medium
9	79	Quality Industrial	CRS	Carpenter Technology	Specialty alloys; aerospace/defense materials	Operating leverage, aerospace/defense demand, capital returns.	Indirect defense-industrial-base policy beneficiary.	Medium
10	76	Defense Bottleneck	UAMY	United States Antimony	Antimony	DLA deliveries, further stockpile awards, feedstock expansion.	DLA sole-source contract; Gen. Jack Keane on board.	High

11	74	High Beta Policy	TMQ	Trilogy Metals	Copper; zinc; cobalt; polymetallic deposits	Investment closing, Ambler Road, Arctic permitting.	White House Ambler approval; U.S. 10% stake plus warrants.	High
12	73	Battery / Boron	IONR	Ioneer	Lithium; boron	Construction funding, partner milestones, appeals.	DOE loan guarantee and federal permitting support.	Medium-High
13	71	Allied Graphite	NMG / NOU.T O	Nouveau Monde Graphite	Graphite; anode feedstock	FID, Canada offtake, Panasonic/Traxys milestones.	Allied-policy tie; indirect U.S. relevance.	Medium-High
14	69	Allied Rare Earths	NEO.T O / NOPMF	Neo Performance Materials	Rare earth separation; magnets	Estonia HREE ramp, customer qualification, Bosch capacity.	Allied-policy beneficiary; no direct U.S. tie identified.	Medium-High
15	66	Industrial Ballast	NUE	Nucor	Steel	Tariff enforcement, reshoring, steel demand.	Policy beneficiary through steel tariff regime.	Medium
16	65	Industrial Ballast	STLD	Steel Dynamics	Steel	Tariff enforcement, manufacturing demand, buybacks.	Policy beneficiary through steel tariff regime.	Medium
17	62	Defense Optionality	NB / NIOBF	NioCorp Developments	Scandium; niobium; titanium; rare earths	DPA work, Lockheed/alloy work, project financing.	DoD/Title III scandium award.	High
18	60	Speculative Policy	AREC	American Resources / ReElement exposure	Rare earth separation/recycling; magnets chain	OSC loan closing, facility milestones, OEM/offtake.	DoW OSC loan/warrants at ReElement/Vulcan level.	Very High
19	58	Speculative Policy	CRML	Critical Metals	Heavy rare earths; lithium optionality	Tanbreez milestones, EXIM path, ownership consolidation.	EXIM interest; Cantor investor note; possible U.S. stake discussions.	Very High
20	55	Speculative Policy	TMC	The Metals Company	Polymetallic nodules: nickel, cobalt, copper, manganese	NOAA process, Federal Register, permit decision.	Policy tie through offshore minerals EO/NOAA process.	Very High
21	52	Watch Only	SYR.AX / SYAAF	Syrah Resources	Graphite; active anode material	Tesla dispute resolution, Vidalia qualification, loan compliance.	Legacy DOE financing tie.	Very High
22	48	Watch Only	WWR	Westwater Resources	Graphite; anode materials	Qualification, financing, Project Vault graphite inclusion.	General policy beneficiary only.	Very High

Sources: See Appendix B for source map.

Appendix B - Source Map

Sources are provided for auditability. URLs are included in plain text for compliance review and easy copying into diligence files. The list is not exhaustive.

Code	Source	URL / note
S00	DTS Strategies / C3PO Research prior white paper, Strategic Materials sleeve	Uploaded WhitePaper_Quantum_Industrial_Strategy.pdf, Oct. 25, 2025, p. 5.
S01	White House - Immediate Measures to Increase American Mineral Production	https://www.whitehouse.gov/presidential-actions/2025/03/immediate-measures-to-increase-american-mineral-production/
S02	White House - Section 232 action on processed critical minerals and derivative products	https://www.whitehouse.gov/presidential-actions/2025/04/ensuring-national-security-and-economic-resilience-through-section-232-actions-on-processed-critical-minerals-and-their-derivative-products/
S03	White House - Adjusting imports of processed critical minerals and derivative products	https://www.whitehouse.gov/presidential-actions/2026/01/adjusting-imports-of-processed-critical-minerals-and-their-derivative-products-into-the-united-states/
S04	White House fact sheet - Processed critical minerals negotiations and price floors	https://www.whitehouse.gov/fact-sheets/2026/01/fact-sheet-president-donald-j-trump-directs-negotiations-to-adjust-imports-of-processed-critical-minerals-and-their-derivative-products-into-the-united-states/
S05	EXIM - Project Vault and Strategic Critical Mineral Reserve	https://www.exim.gov/news/week-review-project-vault-and-strategic-critical-mineral-reserve
S06	USGS - Final 2025 List of Critical Minerals	https://www.usgs.gov/news/science-snippet/interior-department-releases-final-2025-list-critical-minerals
S07	MP Materials - Public-private partnership with Department of Defense	https://mpmaterials.com/news//mp-materials-announces-transformational-public-private-partnership-with-the-department-of-defense-to-accelerate-u-s-rare-earth-magnet-independence/
S08	Energy Fuels - First U.S. primary production of terbium oxide	https://investors.energyfuels.com/2026-03-25-Energy-Fuels-Announces-First-U-S-Primary-Production-of-Critical-Heavy-Rare-Earth-Material-in-Decades
S09	Energy Fuels / Vulcan MOU	https://investors.energyfuels.com/2025-08-26-Energy-Fuels-and-Vulcan-Elements-Join-Forces-to-Advance-U-S-Rare-Earth-Magnet-Security
S10	Lynas - Binding LOI with U.S. Department of War	https://company-announcements.afr.com/asx/lyc/64222f2a-20b9-11f1-bf56-6ed41f3358b5.pdf
S11	NIST / Commerce - CHIPS Program LOI with USA Rare Earth for up to \$1.6 billion	https://www.nist.gov/news-events/news/2026/01/department-commerces-chips-program-announces-letter-intent-usa-rare-earth
S12	Senate oversight letter - Lutnick/Cantor questions regarding USAR deal	https://www.wyden.senate.gov/news/press-releases/wyden-presses-trumps-commerce-secretary-on-conflict-of-interest-after-familys-firm-brokers-investment-in-critical-minerals
S13	Department of War - OSC \$700 million commitment to Vulcan and ReElement	https://www.war.gov/News/Releases/Release/Article/4339788/office-of-strategic-capital-agrees-to-joint-700m-conditional-loan-commitment-wi/
S14	NIST / Commerce - CHIPS incentives LOI with Vulcan Elements	https://www.nist.gov/news-events/news/2025/11/department-commerce-announces-chips-incentives-letter-intent-vulcan
S15	FT - Donald Trump Jr-backed Vulcan Elements receives federal support	https://www.ft.com/content/952f37ba-78b4-42a4-8d1b-2258de65f2c0
S16	Perpetua - EXIM advances proposed \$2.7 billion loan	https://www.investors.perpetuaresources.com/investors/news/perpetua-resources-selecus-exims-board-advances-proposed-27-billion-loan-to-congressional-notice-perpetua-announces-improved-project-economics
S17	Perpetua - Idaho National Laboratory antimony pilot plant	https://www.investors.perpetuaresources.com/investors/news/perpetua-partners-with-the-idaho-national-laboratory-to-advance-critical-mineral-pilot-plant
S18	Reuters - U.S. Antimony wins DLA contract	https://www.reuters.com/markets/commodities/us-antimony-corp-wins-245-million-pentagon-contract-build-defense-stockpile-2025-09-23/

S19	USAC - Board of Directors / General Jack Keane	https://www.usantimony.com/board-of-directors
S20	Almonty - Binding tungsten offtake for U.S. defense applications	https://almonty.com/binding-offtake-agreement-to-supply-tungsten-oxide-solely-for-us-defense-applications/
S21	Almonty - U.S. headquarters and former U.S. Army general appointments	https://almonty.com/almonty-establishes-us-corporate-headquarters/
S22	NioCorp / Department of Defense - \$10 million scandium award to NioCorp subsidiary	https://www.war.gov/News/Releases/Release/Article/4264389/departement-of-defense-awards-10-million-to-develop-a-domestic-mine-to-master-al/
S23	Trilogy Metals - U.S. federal government strategic investment	https://trilogymetals.com/news-and-media/news/trilogy-metals-announces-strategic-investment-by-us-federal-government/
S24	White House - Ambler Road project and Trilogy investment	https://www.whitehouse.gov/fact-sheets/2025/10/fact-sheet-president-donald-j-trump-approves-ambler-road-project-to-unlock-alaskas-mineral-potential/
S25	Lithium Americas - Agreement with GM and U.S. DOE	https://lithiumamericas.com/news/news-details/2025/Lithium-Americas-Reaches-Agreement-with-GM-and-U-S--DOE-Regarding-First-Draw-on-DOE-Loan/default.aspx
S26	Reuters - Critical mineral firms boost Washington lobbying	https://www.reuters.com/world/us/critical-mineral-firms-boost-washington-lobbying-us-expands-investments-2025-10-16/
S27	DOE - \$996 million loan guarantee to loneer Rhyolite Ridge	https://www.energy.gov/edf/articles/doe-announces-996-million-loan-guarantee-ioneer-rhyolite-ridge-advance-domestic
S28	Business Wire - U.S. District Court upholds Rhyolite Ridge permit	https://www.businesswire.com/news/home/20260330801099/en/U.S.-District-Court-Upholds-Federal-Permit-for-Rhyolite-Ridge-Lithium-Boron-Project
S29	Nouveau Monde Graphite - Government of Canada offtake and marketing framework	https://nmg.com/government-of-canada-offtake-2026/
S30	DOE - Syrah Vidalia active anode material facility	https://www.energy.gov/edf/syrah-vidalia
S31	Reuters - Syrah/Tesla alleged default cure-date extension	https://www.reuters.com/business/autos-transportation/australias-syrah-tesla-extend-deadline-resolve-alleged-default-graphite-supply-2026-03-15/
S32	The Metals Company - NOAA compliance determination	https://investors.metals.co/news-releases/news-release-details/noaa-determines-tmc-usas-consolidated-deep-seabed-mining-0
S33	White House - Unleashing America's offshore critical minerals and resources	https://www.whitehouse.gov/presidential-actions/2025/04/unleashing-americas-offshore-critical-minerals-and-resources/
S34	Neo Performance Materials - Heavy rare earth separation line	https://www.neomaterials.com/neo-successfully-commissions-heavy-rare-earth-separation-small-scale-production-line-in-europe/
S35	Neo Performance Materials - Estonia magnet facility	https://www.neomaterials.com/neo-opens-state-of-the-art-magnet-facility-europe/
S36	ATI - Fourth quarter and fiscal 2025 results	https://ir.atimaterials.com/news-events/news-details/2026/ATI-Announces-Fourth-Quarter-and-Fiscal-Year-2025-Results/default.aspx
S37	Carpenter Technology - Fiscal 2025 results	https://ir.carpentertechnology.com/news-events/news/news-details/2025/Carpenter-Technology-Reports-Fourth-Quarter-and-Fiscal-Year-2025-Results/default.aspx
S38	White House - 50% Section 232 steel and aluminum tariffs	https://www.whitehouse.gov/fact-sheets/2025/06/fact-sheet-president-donald-j-trump-increases-section-232-tariffs-on-steel-and-aluminum/
S39	Reuters - Critical Metals / EXIM Tanbreez loan and Cantor investor note	https://www.reuters.com/business/us-export-import-bank-considers-120-million-loan-greenland-rare-earths-project-2025-06-15/

S40	Reuters - Critical Metals acquisition of European Lithium / Tanbreez ownership	https://www.reuters.com/business/critical-metals-acquire-european-lithium-835-million-2026-04-27/
S41	Commerce Department - Howard Lutnick biography	https://www.commerce.gov/about/leadership/howard-lutnick
S42	Department of Energy - Chris Wright biography	https://www.energy.gov/person/chris-wright
S43	Department of the Interior - Doug Burgum biography	https://www.doi.gov/secretary-doug-burgum
S44	Department of War - Pete Hegseth biography	https://www.war.gov/About/Secretary-of-war/
S45	Reuters - China bans exports of gallium, germanium and antimony to U.S.	https://www.reuters.com/markets/commodities/china-bans-exports-gallium-germanium-antimony-us-2024-12-03/
S46	White House - Strengthening actions on aluminum, steel and copper imports	https://www.whitehouse.gov/presidential-actions/2026/04/strengthening-actions-taken-to-adjust-imports-of-aluminum-steel-and-copper-into-the-united-states/
S47	Reuters - TMC application deemed compliant by NOAA	https://www.reuters.com/legal/litigation/tmc-says-seabed-mining-application-meets-us-norms-sees-regulatory-decision-by-q1-2026-05-01/

Closing View

For retail-client implementation, the Strategic Materials theme is strongest where policy, scarcity, and execution converge. The most important indicator is not a company's press-release language but whether the federal government or an allied government has committed economics: equity, warrants, loans, offtake, price floors or procurement. That framework puts MP at the center, Energy Fuels and Lynas as critical rare-earth satellites, Perpetua/UAMY/Almonty as defense bottlenecks, and Lithium Americas/Loneer/ATI/Carpenter as broader industrial-base exposures. The speculative names deserve attention, but they should be monitored through milestones and governance guardrails rather than sized solely on policy headlines.