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Under U.S. defense law, Canada has been domestic since 1992.

The three doors: a Canadian miner's map to American federal money.

THE STORY WE TELL

Ottawa closed one door and called it strategy.

In November 2022, Canada ordered three Chinese state investors out of its lithium juniors. The reasoning was sound: China owns the processing layer, and ownership is leverage. But the replacement capital never fully arrived. Projects stalled in the valley of death between discovery and production.

$117.1B

Canadian mining projects planned or proposed for 2024 to 2034. Roughly half are critical minerals. [Source: Natural Resources Canada, Critical Minerals Strategy progress update, February 2026; Government of Canada divestiture orders, November 2022]

THE FACT

1992

The U.S. Defense Production Act defines **domestic source** to include Canada. It has for over three decades. Canadian companies qualify for American defense-industrial grants, loans, and loan guarantees on the same footing as a firm in Ohio. Australia was later added by amendment.

[Source: 50 U.S.C. §4552; J.S. Hale, Neil Hill Global Strategies, March 2026]

THE NEW POSTURE

Washington stopped writing cheques and started buying shares.

In July 2025 the Pentagon took a **US$400 million** preferred-equity position in a rare-earth producer, became its largest shareholder, and guaranteed a ten-year price floor for its magnets. The buyer of last resort became a shareholder of first resort.

[Source: MP Materials Form 8-K and company announcement, July 2025]

DOOR ONE

01

Defense Production Act, Title III

Grants, loans, loan guarantees, and purchase commitments for supply the Pentagon deems critical. Canadian firms apply as domestic sources. This is not theory.

US$20M

U.S. Department of Defense award to Electra Battery Materials, August 2024, for the Temiskaming Shores cobalt sulfate refinery. American defense money on Ontario ground. Fortune Minerals and Lomiko Metals took DoD awards before Electra did. [Source: Electra Battery Materials news release; U.S. DoD, August 19, 2024]

DOOR TWO

02

Energy Act of 2020, §18743

Department of Energy grants for pilot projects in critical-minerals processing, recycling, and development. The catch is structural: the program prioritizes **domestic processing**. A Canadian applicant needs U.S.-sited processing in the plan, or a partner who has it. Structure decides eligibility before merit gets a vote.

[Source: 42 U.S.C. §18743; J.S. Hale, Neil Hill Global Strategies, March 2026]

DOOR THREE

03

EXIM's Supply Chain Resiliency Initiative

Export-Import Bank financing for projects carrying long-term offtake contracts with U.S. companies. A signed American customer is not just revenue. **It is collateral.** SCRI converts the offtake into project finance.

[Source: Export-Import Bank of the United States; J.S. Hale, Neil Hill Global Strategies, March 2026]

THE TURN

“The gap was never capital. It is navigation.”

The programs exist. The receipts exist. What stalls applicants is the moat of process: merit criteria, content rules, offtake structuring, agency relationships. Washington funds those who know the building.

The clearest map comes from people who ran the building. **Jonathan S. Hale** led supply-chain diplomacy at the U.S. State Department, convened the first U.S.-led Supply Chain Ministerial, and drafted trade law for the Senate Commerce Committee. His firm, **Neil Hill Global Strategies**, with the Transnational Strategy Group, now guides allied miners through these exact programs.

[Source: J.S. Hale, “The Critical Minerals Race Is Heating Up,” Neil Hill Global Strategies, March 30, 2026]

Canada waited for replacement capital. The replacement was written into U.S. law in 1992.

NPSI is watching the equity era: who takes Washington's next cheque, and who keeps waiting for Ottawa's.

The three doors

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Sources: Natural Resources Canada, Critical Minerals Strategy progress update (Feb 2026); 50 U.S.C. §4552; 42 U.S.C. §18743; U.S. Department of Defense and Electra Battery Materials (Aug 2024); MP Materials Form 8-K (Jul 2025); Government of Canada divestiture orders (Nov 2022); Export-Import Bank of the United States.