

U.S. Takes Stake in Battery-Metals Firm to Wean Itself Off China

By [Eddie Spence](#)

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- ▶ TechMet receives \$25 million from U.S. government agency
- ▶ Investment will help develop nickel and cobalt mine in Brazil

The U.S. government has taken an equity stake in a battery-metals company in a move that undercuts dependence on China for a key material used in electric vehicles.

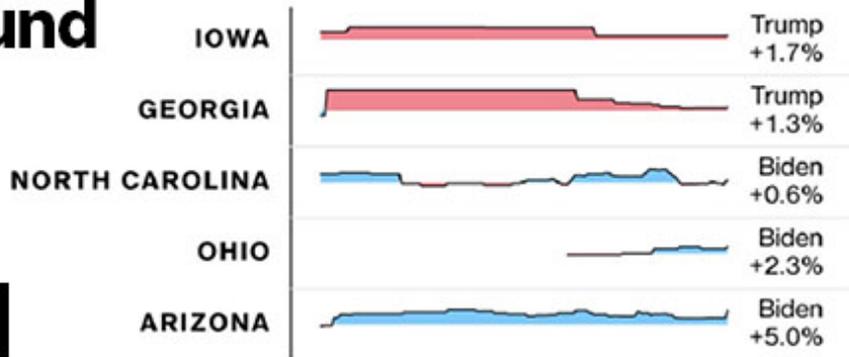
TechMet Ltd. received a \$25 million investment from the [U.S. International Development Finance Corporation](#) to help develop a Brazilian nickel and cobalt mine, the Dublin-based company said Monday in a statement. Cobalt is an important ingredient in cathodes of most electric-vehicle batteries and its refining capacity is largely under China's control.

"Investments in critical materials for advanced technology support development and advance U.S. foreign policy," Adam Boehler, chief executive officer of the government agency, said in TechMet's statement.

The move is another example of U.S. efforts to reduce reliance on its greatest geopolitical rival for key materials and comes days after President Donald Trump [signed](#) an executive order to expand domestic production of rare-earth minerals -- another sector China dominates. Such minerals are needed for magnets in a broad range of products including electric vehicles.

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Dominant Player

China virtually controls global cobalt refining capacity

De-risked cobalt refining capacity



Source: BNEF

TechMet’s main investments include lithium-ion battery recycling plants in Canada and the U.S., a Rwandan tin and tungsten mine and a U.S. vanadium facility. Most metals targeted by the company fall under China’s influence at some stage of the global supply chain -- a fact TechMet CEO Brian Menell is keen to highlight.

“TechMet represents a real opportunity for its investors not only to profit from the impending supply-demand dislocation for critical metals, but also to invest into ethical sources of supply that are aligned with U.S. interests, thereby playing a part in redressing the supply-chain imbalance,” he said in the statement.