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Department of Defense Awards $6.2 Million to Sustain Critical Production of Tungsten

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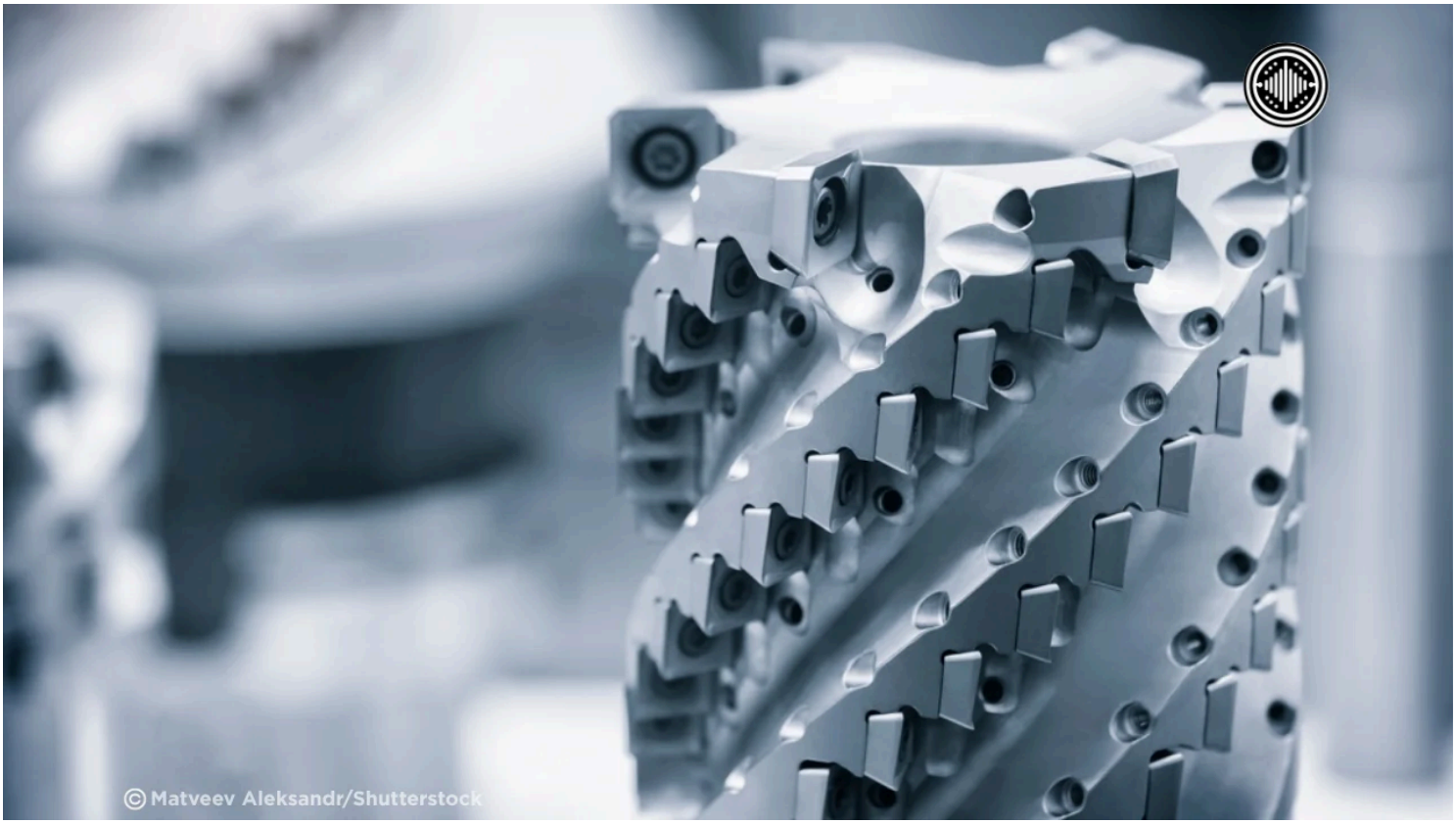

The U.S. Department of Defense has allocated $15.8 million under the Defense Production Act of 1950 to support the Mactung tungsten project in Canada's Yukon Territory. This funding aims to sustain development at one of the world's largest undeveloped high-grade tungsten sites, reinforcing North American supply chains for a metal essential to both military and civilian industries.

Tungsten's exceptional density, hardness, and high melting point make it indispensable for defense applications, ranging from armor penetration and kinetic weapons to aerospace components and military-grade steel. Recognizing the strategic importance of domestic and allied supply, the DoD's funding complements Canada's recent investment of C$12.9 million, accelerating feasibility studies, metallurgical testing, and infrastructure planning at the Mactung deposit.

Dr. Laura Taylor-Kale, Assistant Secretary of Defense for Industrial Base Policy, emphasized the rationale behind the investment: "The United States is overly reliant on overseas sources of tungsten, and a secure North American supply will mitigate one of our most critical material risks." This initiative is part of a broader 2024 National Defense Industrial Strategy aimed at reducing dependence on potentially adversarial supply chains and enhancing resilience in critical minerals.

The joint effort aligns with the 2020 North American critical minerals agreement between the U.S. and Canada, which seeks to cultivate public-private partnerships for resource development. Under Title III of the Defense Production Act, the DoD treats Canada as a domestic source, enabling bilateral support for the Mactung project through the Defense Production Act Purchases (DPAP) office.

Located in a region rich in tungsten and other strategic minerals, Mactung hosts an estimated 33 million tonnes of ore with significant tungsten oxide content. Progressing the project through feasibility studies, road access, and transmission upgrades will be key to bringing this resource online.

For conservative defense leaders, this marks a pragmatic use of industrial policy, investing in critical infrastructure and allied partnerships to safeguard military capability and chemical production. Tungsten is necessary across multiple defense systems, and securing its supply ensures weapon effectiveness, production continuity, and readiness in high-intensity conflicts.

The funding also underscores a strategic shift: the DoD is prioritizing long-term resilience over short-term stockpiles. Moving forward, the success of these investments will hinge on regulatory approvals, environmental assessments, and infrastructure development, all under ongoing coordination with Canadian federal and Indigenous authorities.

In an era of geopolitical competition and heightened resource vulnerability, the DoD's significant investment in Mactung sends a clear message: securing raw materials is no less crucial than weapon systems themselves.