

Military Minerals: How US Military Demand Is Intensifying Extraction on Indigenous Lands

As Pentagon demand for minerals grows, Canada's mining expansion is accelerating extraction on Indigenous territories.

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Introduction

In late 2022, it was reported that the Pentagon would begin investing millions of dollars in Canadian mining companies. This investment targets the extraction and processing of so-called critical minerals — such as nickel, copper, chromium and rare earth elements — materials Washington classifies as essential to national security.

The US has long treated Canada as a reliable source of minerals for military supply chains; this trade relationship is nothing new. What is new is how the US government is securing access to these minerals. Rather than relying primarily on indirect tools such as subsidies or loans, the Pentagon has begun purchasing direct ownership stakes in Canadian mining companies, an approach that extends US state influence more directly into the private market. This comes as the US escalates yet another illegal war in West Asia and continues its Cold War rivalry with China. As Canada tries to claim economic independence from its aggressive southern neighbour, the Pentagon's unprecedented investment strategy could have significant effects on the Canadian critical mineral industry — shaping where, why and for whom those minerals are produced.

News of the Pentagon's mining investments landed softly in Canada, drowned out by federal and provincial promises that these same minerals would fuel the country's green transition. For instance, the Ring of Fire is a 5,000-km² mineral-rich region in the peatlands of northern Ontario which is often cast as the engine of a Canadian clean-tech boom comprising electric vehicles, battery supply chains, new jobs and new roads. But, a growing body of evidence suggests a very different future for these minerals. While both the federal and provincial governments have framed the Ring of Fire as essential to climate policy, the US increasingly views the Canadian sub-arctic as a stable source of

the inputs it seeks for its military industries — both Canada’s and Ontario’s leaderships now appear eager to align itself with that demand.

The Ring of Fire is located in the James Bay Lowlands, the second largest peatland complex in the world (~370,000 km², or roughly the size of Germany), which stores more carbon per square foot than the Amazon rainforest. This undeveloped, intact ecosystem has been on the Pentagon’s radar for years. In 2022, the leading mining company operating in the Ring of Fire, Wyloo Metals, confirmed they had begun “initial discussions” with the Pentagon regarding “the important role that northern Ontario’s Ring of Fire region will play in producing the critical minerals needed by Canada and the US”.

However, the Ring of Fire is already at the centre of a decades-long conflict over land rights, infrastructure development and government neglect. Several of the First Nations whose homelands fall within the proposed mining zone have never consented to the mining activity being planned on their lands. As the US and Canada tout “ethical” mineral supply chains, these communities face the greatest consequences of turning northern extraction into a matter of military expansion.

Canada’s absorption into the US’s Cold War rivalry against China — with attempts to replace Chinese products with Canadian critical minerals — is both an ecological risk and an acute threat to Indigenous sovereignty. By presenting resource extraction as necessary to counter “external threats”, governments justify rapid expansion of mining while sidestepping deeper questions about environmental impact, Indigenous rights and the ultimate end-uses of these materials.

In 2025, when First Nations stood against these incursions on their lands, they were met with Ottawa’s new “fast tracking” legislation — designed to accelerate mining projects under the banner of “national security” and “national defence” while also potentially diverting minerals towards Pentagon stockpiles. Given that the Pentagon is the single largest institutional producer of greenhouse gas emissions globally, First Nations have a right to ask: are their lands being developed to power climate solutions — or to feed a military that is driving the environment to collapse?



The early signs of militarisation

The Pentagon's interest in Canadian minerals reflects a shifting rhetoric around critical minerals in recent years, through which the US has increasingly recognised control of mineral supply chains as a geopolitical priority. As Canada's mining sector becomes more tightly integrated into the US foreign policy agenda, it raises deeper questions about transparency, control and autonomy — particularly when it remains unclear to Indigenous and non-Indigenous Canadians alike where these materials ultimately end up and who determines their use.

In 2020, Canada and the US signed a Joint Action Plan on Critical Minerals Collaboration that categorises minerals abundant in the Ring of Fire, such as chromium and platinum group elements, as critical materials needed for “aerospace and defence”. Since 2022, the Pentagon has begun to enact this plan using the US Defense Production Act, channeling tens of millions into Canadian mining projects — investments explicitly intended to secure minerals for the American military-industrial base.

Research by Shiri Pasternak and the 8th Fire Rising Research Collective shows that between 2024 and 2025, the Pentagon invested \$6.4 million (USD) in Fortune Minerals, \$8.35 million (USD) in Lomiko Metals, \$15.8 million (USD) in Fireweed Metals, \$15 million (USD) in Northcliff Resources, \$12.5 million (USD) in Nano One Materials Corp. and \$20 million (USD) in Electra Battery Materials — all of which operate extractive projects in Canada. Two more Canadian-domiciled mining firms received investment from the US Department of Energy: \$35.6 million (USD) in Trilogy Metals and a five per cent equity stake in Lithium Americas, both headquartered in Vancouver.

All these American state-funded investments have been subsidised by the Canadian government. Whereas the Pentagon allocated approximately \$78 million (USD) to the six Canadian critical minerals projects listed above, Ottawa matched those investments with approximately \$69 million (CAD). Canadian provinces have also created policies to collaborate in the Pentagon's mining investment. Ontario's 2023 Fortress AM-CAN strategy identifies “military technologies” as a target sector for Ontario minerals, and in 2025 Ontario Premier Doug Ford and Minister of Mines George Pirie openly described the Ring of Fire as essential to powering “the economies of the future” with their “American allies”, including for advanced military technologies.

In Quebec, Lomiko Metals says their proposed La Loutre graphite mine is needed for a transition to “a local, renewable energy ecosystem”. However the open-pit mine — described by the company as having the potential to become the seventh largest graphite mine in the world — secured an \$8.35 million (USD) grant from the Pentagon through a Technology Investment Agreement under the US Defense Production Act, matched by a further \$4.9 million (CAD) grant from Natural Resources Canada. While Lomiko frames the project as part of the clean-energy transition — graphite is a key component of lithium-ion batteries — the Pentagon’s involvement underscores its strategic value for military supply chains. Graphite is the most commonly used material in the military industry, but the US has not produced its own graphite since the 1950s, making it totally reliant on global supply, with 43 per cent of graphite imports coming from China.

The La Loutre graphite mine has also faced strong opposition from local communities, including the Kitigan Zibi Anishinabeg First Nation (KZ), whose territory would be affected by the project. KZ Chief Jean-Guy Whiteduck says his community “is firmly against mining”, with KZ members elsewhere claiming that the mine conflicts with ongoing efforts to restore ecosystems in their territory in line with biodiversity commitments made by Canada in 2022. Municipalities surrounding the mine site voted overwhelmingly against it in a referendum, meaning Quebec could not fund Lomiko Metals’ project at the provincial level due to a lack of “social acceptability”.

Then there is Torngat Metals’ proposed Strange Lake project, whose rare earth elements could ultimately feed into military supply chains, even though the project itself is not directly funded by the Pentagon. Torngat Metals has agreed to sell a significant portion of its future rare earth production to the German magnet manufacturer Vacuumschmelze (VAC). These magnets enable technologies ranging from electric vehicles and electronics to fighter jets, missiles, radars, submarines and drones. E-VAC Magnetism, a VAC subsidiary, has already signed an agreement with the Pentagon to build a magnet manufacturing facility in South Carolina designed to strengthen American military supply chains. Rare earths supplied by Torngat Metals could therefore be processed into components used by US weapons manufacturers through this supply chain.

Critical mineral supply chains remain deeply opaque systems that do not allow for thorough tracking of end-use. They are complex, globally distributed

networks in which materials are blended, traded and transformed across multiple jurisdictions, often mixing inputs from different origins in ways that obscure traceability. Once minerals leave the mine site, their ultimate destination — whether for electric vehicles or weapons systems — becomes effectively untraceable under current governance arrangements. The OECD acknowledges that existing traceability mechanisms are reliant on incomplete documentation, are vulnerable to manipulation, and struggle to keep pace with fast-moving global commodity markets.

Given that the Pentagon is so profoundly damaging to the environment — military manufacturing and net-zero mining are fundamentally incompatible. This is compounded by the opacity of the mining industry and a lack of enforceable mechanisms to prevent minerals from entering military supply chains. And even while investments from the US Department of Energy in Trilogy Metals and Torngat Metals might imply that Canadian-owned minerals will supply renewable energy technologies, President Trump’s hostility toward renewable energy and electrification makes many “green” applications of dual-use minerals less viable in American markets.

Today, the primary driver behind US mineral investments is not climate change solutions but ensuring supply for American-led wars and military stockpiles. The US government presents this as a counter to China’s assertion of dominance in critical minerals production, particularly rare earth elements (roughly 90 per cent of global supply). In response to the second Trump administration’s escalation of trade war in April 2025, China was able to resist pressure by tightening export restrictions to the United States. In this context, President Trump’s aggressive foreign policy rhetoric — including threats to annex Canada, proposals to acquire Greenland and a critical mineral deal with Ukraine — reflects a broader push to secure critical mineral supply as part of its Cold War with China. The constant threat of American escalation turns mineral-rich allies like Canada into policy-takers — integrated suppliers whose investment and regulatory space narrows as the U.S. leverages its economic power over their natural resource industries. If that trajectory continues, Canada’s status as a “mining nation” might be better described as “mining territory” for the larger American security economy.

The Pentagon Digs Deeper

Historically, US critical minerals strategy has relied on indirect forms of market influence to achieve its goals. During the Cold War, the federal government stockpiled reserves of strategic minerals that could last through years of sustained conflict while also using procurement guarantees and price supports to incentivise domestic production. The state shaped the conditions of the market from an arm's length — stabilising prices, underwriting demand and coordinating supply with allies — while leaving extraction itself largely in private hands. As it engages in a Cold War rivalry with China, the US is beginning to move beyond market coordination and towards direct intervention — seeking to reconfigure entire supply chains by steering investment, securing upstream access and reducing dependence on Chinese-controlled processing networks. This new strategy has the potential to deepen the Pentagon's influence over the Canadian mining sector.

Under the US Defense Production Act, Canada has been designated as a “domestic source” for US military procurement since 1985. Framed as cooperation, this arrangement can be used to reorganise Canada's resource economy around US military priorities even in times of tension between the two countries. For example, in 2025, when critical minerals bound for American military contracts were exempt from the steep US import tariffs imposed on all other Canadian minerals (initially set at 25 per cent). While Canada maintained its mineral exports across the border during the US-Canada “trade war” of 2025, Washington has found novel means of embedding its influence directly into the Canadian mining industry.

When the Pentagon acquired a 10 per cent equity stake in Vancouver-based Trilogy Metals to “unlock” a 2,000 km² mineral deposit in Alaska, the US government secured options to increase its ownership in the future and the right to appoint a board member. The deal creates a highly unusual relationship wherein the American federal government is a shareholder in a Canadian mining company — a “possibly unprecedented” arrangement, according to the international lawyer Lawrence Herman.

Historically, the US has relied on indirect tools like incentives, subsidies, and procurement guarantees to push the private sector to absorb the risks of mining investment. The Trump administration's move to take a partial ownership stake in a foreign-domiciled critical minerals company is rare. Direct state ownership in mineral projects, particularly through equity stakes, more closely resembles

the state-led strategies long associated with those the US perceives as geopolitical rivals.

Policy proposals such as the creation of a “Resilient Resource Reserve” illustrate this change. Unlike earlier stockpiling strategies, which were designed for emergency use, the proposed reserve would operate continuously by buying minerals to establish price floors, selling them to prevent price spikes, and shaping investment decisions across the sector in real time.

While the Pentagon’s investments in Canadian-domiciled companies may not be controlling shares, there is a possibility that once these mines are operational the US government would insist that the minerals go only to the US, according to antitrust lawyer Sandy Walker. Indeed, government ownership in these companies — and the minerals they hold rights to — establishes quasi-extraterritorial zones of American state power in Canada. It is a situation that sharply contradicts Prime Minister Mark Carney’s stated desire for autonomy and diversified trade relationships for his “middle power” country.

Is Canada’s national security framework designed to give the US a backdoor?

In 2022, three Chinese state-linked firms were ordered to divest from Canadian critical minerals companies after their investments were deemed threatening to Canadian national security. Immediately following this, Ottawa tightened its framework for reviewing critical minerals investments into Canada by foreign state-owned enterprises that may “be motivated by non-commercial imperatives that are contrary to Canada’s interests”. Under the Investment Canada Act, Ottawa can reject investments that give foreign states undue operational and strategic control over a Canadian business or which have the potential to damage Canada’s “current geopolitical circumstances and potential impact on allied relations”.

Given Canada’s current stance that it “will never participate” in the US-Israeli war in Iran, it would be feasible that deals involving US state ownership in critical minerals companies could face a national security review. But deals like those with Trilogy Metals — where the US government has secured board appointment rights and options to increase its stake in the future — remain unchallenged.

When questioned about those same US investments, Industry Minister Melanie Joly only noted that the government will evaluate deals “on a case-by-case basis through the Investment Canada Act application”. By approving American state-backed investments, Canada has aligned itself with US critical mineral strategy.

Canada is therefore a participant in US strategy not as an independent actor, but as a “trusted” supplier expected to anchor a US-led alternative to Chinese-controlled mineral networks. The consequence is deep ecological risk along with direct threats to Indigenous sovereignty — subordinating land, Indigenous law and consent to the imperatives of what American politicians characterise as their policy of global primacy.

The decisions of the Canadian government risk the sovereignty of First Nations, co-opting their lands to deliver US foreign policy objectives. First Nations are recognised by Canada as distinct, rights-holding nations with inherent rights and their relations with Ottawa are meant to be in the form of a nation-to-nation treaty relationship. However, Indigenous populations face near daily coercion from federal authorities and significant constraints in resisting their incorporation into Canada’s endorsement of US-state ownership of resources on their own territories.

Indigenous Resistance to Militarised Supply Chains

As US military escalation and its foreign policy objectives reshape Canada’s mineral export economy, the consequences are not abstract. Decisions made in Washington about war, stockpiling and supply chains become matters of life and death for First Nations communities.

On Canada’s Atlantic coast, Wolastoqey National Grand Chief Ron Tremblay says that should the tungsten deposit located on his peoples’ traditional territory be developed into a mine, it would become a direct contributor to the “continuum of genocide” occurring in Gaza and the West Bank. The mine, owned by Northcliff Resources, received \$15 million (USD) of Pentagon funding at a time when the US is seeking sources of tungsten carbide, valued for its extreme hardness and widely used in military technologies, including armour-piercing ammunition.

The announcement of Pentagon investment brought new life to the Wolastoqey Nations’ longstanding protest after a 2023 injunction banned them from the mine site. Elder Alma Brooks commented that the US-backing only strengthened her opposition to the project, stating she is “absolutely and totally against anything that would support the United States or Canadian military in their war efforts”.

Indigenous groups are not consulted on the potential end-use applications of mining projects proposed on their territories. As environmental law professor Dayna Scott notes, Indigenous communities’ main mechanism for consultation and offering or withholding consent to development projects is the environmental assessment process. But so long as there is no mechanism within the assessment process for considering the end-use of minerals, the state and proponents can blur the energy transition and military-industries to garner social license while denying First Nations the chance to consider these outcomes as part of their decision making.

While on the international level Ottawa insists that its mineral wealth will not be used to manipulate geopolitical relationships, at home provincial and federal governments routinely deploy political pressure, procedural shortcuts and asymmetrical bargaining power to secure access to Indigenous territories for mining projects — particularly when they designate projects as security-critical.

But as Assembly of First Nations National Chief Cindy Woodhouse recently told the federal parliament, military expansion cannot be prioritised while First Nations continue to live in poverty and neglect. Many lack basic infrastructure like safe housing, high schools or clean drinking water. Those social and infrastructural crises must be resolved, or else Canada’s prioritisation of its “national security” becomes a political tool to override the safety and health of Indigenous nations in the name of accelerated extractive development.

Indigenous opposition to extraction — like the Idle No More movement of 2012 or Shut Down Canada movement in 2020, which centered around Indigenous-led blockades of logistics corridors — have long created investor uncertainty and often stall mining developments in prolonged legal disputes over consent and jurisdiction. But despite the courts repeatedly affirming that provincial and federal governments have legal obligations to consult and accommodate First Nations over industrial development, Canada has chosen to stabilise projects by

framing them as critical to military production — even if that military does not belong to Canada.

Resistance in the Ring of Fire

If US military demand is reshaping Canada’s critical minerals strategy, the ecological and political costs are felt most sharply on the ground. It is here that the exploitation of Indigenous lands, the use of “national security” arguments to subvert sovereignty and unresolved questions of jurisdiction, consent, and government neglect face emboldened Indigenous resistance.

In Ontario’s far north, anxiety over the future of the Ring of Fire is part of everyday life. Neskantaga First Nation — one of several Treaty 9 Nations whose homelands would be crossed by a proposed mining access road — has repeatedly stated it has not consented to mining in the region. The community cannot justify meeting with mining companies while their people have endured 31 years without clean drinking water — the longest boil-water advisory in Canadian history. Neskantaga has consistently said that before any discussion around mining can begin, Ontario and Canada must address the dire housing, drinking water, healthcare, drug epidemic and suicide crises that successive governments have ignored. Whereas Ottawa has consistently chosen to subsidise US Defense Production Act investments by matching them with Canadian funds, nations like Neskantaga are forced to watch federal resources be diverted away from their communities and towards the stockpiles of a foreign military.

The Ring of Fire falls within the boundaries of Treaty 9, a land-sharing and co-governance agreement that Ontario has historically treated as a land surrender treaty, vesting the province with unilateral authority to grant permits and approvals, including mining leases to industry. With this assumed power, Ontario has imprisoned Treaty 9 land defenders for evicting a mining company from their homelands. Today, Treaty 9 First Nations, including Neskantaga, are suing Ontario over its alleged misinterpretation of the treaty.

The ongoing “uncertainty” attributed to First Nation jurisdiction is not caused by Indigenous peoples but rather reflects the contested legal foundations of the Canadian settler state. For Neskantaga, this same uncertainty can be used as a point of leverage in opposition to mining companies.

In 2013, US mining giant Cliffs Natural Resources suspended its chromite project in the Ring of Fire, citing the lack of infrastructure and unresolved political conflicts between Ontario and First Nations surrounding access to the region. The company ultimately wrote off hundreds of millions of dollars after failing to secure the transportation corridors required to move ore to market. Subsequent attempts to revive the project struggled for similar reasons, as Neskantaga maintained their right to consent over development on their lands. Noront Resources, which later acquired Cliffs' assets, spent years attempting to advance development but eventually sold to the current proponent, Wyloo Metals.

However, given the current rise of militarism used to shore up mining project certainty, the state may decide to discredit Indigenous claims to jurisdiction entirely. Premier Ford is so confident the Ring of Fire will be developed that he claims he no longer needs the environmental assessment fast-tracking policy that his government implemented last year specifically to override the consultative “red tape” blocking northern mining development.

But, the future is not so predictable according to land defenders on the ground. To fight back against the inevitability of mining incursions, Neskantaga is undertaking two approaches. The first is by participating in the current Ring of Fire impact assessment. While this marks the first Indigenous-led federal impact assessment in the country, Canada's Indigenous consultation framework is still deeply flawed and paternalistic. Commenting on why the current colonial consultation framework must be scrapped, former Neskantaga Chief Wayne Moonias warns that court challenges are inevitable when governments try to fast-track projects through Indigenous territories without resolving jurisdiction first. Legal disputes are financially burdensome and time consuming, “which will not create certainty for industry or government that wants to fast-track development in our homelands”, Moonias says.

The second tactic turns away from the colonial courts and embraces the Anishinaabe legal system. Along with Attawapiskat First Nation, Neskantaga has established a land defence encampment at the site where the Ring of Fire mining road would potentially cross the Attawapiskat River. This river is a lifeline to the health and culture of both First Nations. Ontario may have issued permits for a road to cross it, but that does not make the road legal under Neskantaga and Attawapiskat's laws, a fact communities are ready to defend face-to-face.

In several years when mining road construction would reach the Attawapiskat River (about 350 kilometres north of the nearest all-season road), Neskantaga hopes to have a permanent village settlement in place to block the highway. “[Our] people are going to move away from the reservations”, Chief Gary Quisess told reporters. “We’re so compressed with reservations, in the box. People are going to move away, back to the old ways where people lived separately, all over the place. That’s the way of our life, our culture”. “The only way to avoid delays when it comes to extracting resources on our lands is to fully obtain our free, prior, informed consent”, former Chief Moonias said in relation to the legislation that inspired the encampment. Without it, he warned:

“all attempts to fast-track to the Ring of Fire will fail. Our people will meet you on the land. This is about our life... It’s going to destroy our homelands. It’s going to take away our sturgeon. It’s going to destroy our medicines that we use for healing. We say no. Neskantaga says no”.