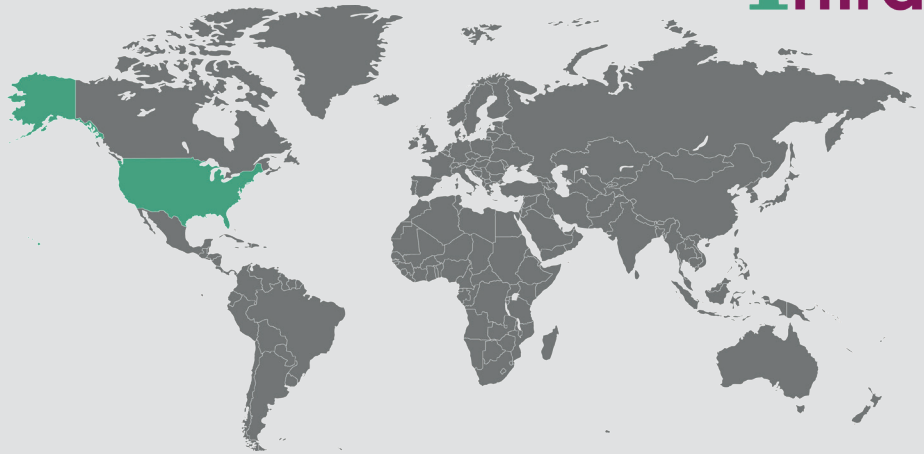


UNITED STATES OF AMERICA

Raw Materials Strategy and Priorities



Free market response to raw material needs:

→ Post Cold-War policy has been to allow the free market to drive the means and methods of raw material acquisition.

Incentives are applied usually through tax credits to spur private investment in particular areas of interest:

→ Direct government investment is rare; incentives for investing in development and new technologies is often driven through tax policy.

A priority is to seek a stable supply of needed raw materials and energy, either through domestic production or importation from stable and secure sources:

→ Priority is stable source of supply, either domestic or international. This informs many policy decisions across the government.

There is use of bonding on major mineral development sites to ensure lifetime environmental compliance:

→ Environmental compliance is often now structured through bonding of remediation, setting maximum liabilities and pre-expensing impact costs.

Development of Good Samaritan laws:

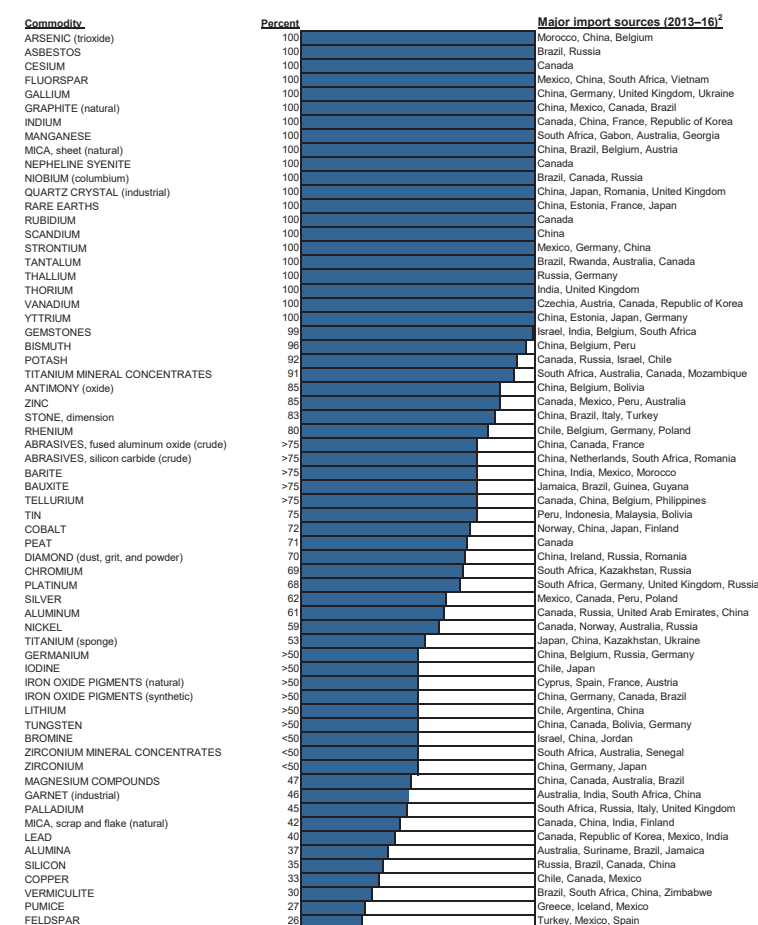
→ Ownership of environmental liabilities is unclear when property ownership changes hands, and is often based on who last improved a property. New laws are being considered to enable new owners to remediate without assuming total liability.

Stable and low cost energy supplies is a priority:

→ The US economy is highly dependent on energy, and the focus on reliable, cheap energy, including shale gas, has helped energise some areas of manufacturing and has improved parts of the material supply chain.

New tax and proposed mining law changes have an uncertain impact on these dynamics:

→ New 2018 tax and proposed mining law changes may reduce some regulatory burdens on mining and raw materials producers, but the extent and consequences of these changes are not yet understood.



USA net import reliance of mineral commodities (2017).

Source: USGS (2018)