MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

COVERSHEET

Minister	Hon Shane Jones	**Portfolio**	Resources
Title of Cabinet paper	Further advice on critical minerals and next steps	**Date to be published**	23 April 2026

List of documents that have been proactively released		
Date	**Title**	**Author**
March 2026	Further advice on critical minerals and next steps	Office of the Minister of Foreign Affairs Office of the Minister for Resources
1 April 2026	Further advice on critical minerals and next steps ECO-26-MIN-0042 Minute	Cabinet Office

Information redacted **YES**

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Some information has been withheld for the reasons of negotiations, international relations, free and frank opinions, confidential advice entrusted to the government, commercial information, confidential advice to government and legal professional privilege.

Restricted

Office of the Minister of Foreign Affairs

Office of the Minister for Resources

Cabinet Economic Policy Committee

Further advice on critical minerals and next steps

Proposal

1 This paper provides Cabinet with a report back on a potential bilateral agreement with the United States (US) on critical minerals [CAB-26-MIN-0018 refers] and additional information on critical minerals.

2 We are seeking agreement to reengage with the US Negotiations the non-binding United States – New Zealand Framework for Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths.

Relation to government priorities

3 Critical minerals have the potential to support the Government's priorities to:

3.1 strengthen New Zealand's economic security and resilience;

3.2 grow regional economic development through responsible resource investment; and

3.3 diversify New Zealand's international trade and investment partnerships, particularly in strategically important sectors such as critical minerals.

4 Development of our critical minerals sector would also align with the objectives of the Cabinet-endorsed *Minerals Strategy for New Zealand to 2040* to double the value of mineral exports by 2035.

Executive Summary

5 New Zealand has been approached by the US as part of their push to secure bilateral agreements on critical minerals with a wide range of countries. Negotiations Cabinet noted the draft Framework would not be signed at a ministerial meeting hosted by the US on 4 February. Cabinet invited the Minister for Resources to return with further advice on the proposed Framework. At the ministerial the US also announced it will be negotiating a binding plurilateral Agreement on Trade in Critical Minerals (ATCM) to create a preferential trade zone for critical minerals including price floors. International relations

6 Critical minerals have become a key global geostrategic concern and play a crucial role as inputs into a range of materials and end products, including advanced technology. The majority of production and processing of critical minerals sits with China International relations; Free and frank opinions

7 International relations; Free and frank opinions has been an international acknowledgement of the need for more resilient supply chains. Discussions are taking place across global organisations such as the International Energy Agency, the G7, and the OECD. The US has been moving at pace to guide the establishment of a new supply chain and deploy capital.

8 New Zealand has a part to play in creating a more resilient global critical minerals supply. We have the potential to produce several critical minerals and technology companies developing innovative processes to recycle and process critical minerals. New Zealand's reputation as a country with high standards in our resource sector could provide a future export advantage.

9 Developing New Zealand's resources and innovation will require investment and time. We will need increased investment from the private sector and international partners. Delivering on the critical minerals potential we have will support the goal of New Zealand's Minerals Strategy to double exports by 2035.

10 A non-binding Framework with the US could support our relationship with the US, promote investment, and stimulate interest in New Zealand's critical minerals sector but it also comes with risks. This includes: potentially leading to pressure to commit future Crown financing; International relations and degrading of social licence for mining.

11 Similar risks arise with the recently proposed ATCM. International relations The implications of a binding critical minerals agreement need to be carefully considered against such risks also and the advantages of participating in initiatives to improve global supply chain resilience.

12 Initial engagement with iwi signalled they had concerns with the pace of the bilateral Framework as well as its content. MFAT will continue to engage through existing mechanisms and MBIE are planning broad iwi engagement on critical minerals under the Minerals Strategy in the coming months.

13 Despite these risks we recommend reengaging with the US on the bilateral Framework International relations

International relations

Background

14 On 1 December 2025, the Ministry of Foreign Affairs and Trade (MFAT) received a draft of a non-binding United States – New Zealand Framework for Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths (the Framework).

15 Officials negotiated with US counterparts on the draft Framework, and a proposed draft was taken to Cabinet on 2 February (see Appendix One). Cabinet noted that New Zealand would not sign a non-binding Framework with the US on 4 February at the Critical Minerals Ministerial in Washington DC and invited the Minister for Resources to provide further advice on the Framework, and to seek approval for the next steps [CAB-26-MIN-0018 refers].

16 At the 4 February Ministerial the US announced its intention to launch negotiations for a multilateral Agreement on the Trade in Critical Minerals (ATCM). The US intends the ATCM to create a preferential trade zone for critical minerals through enforceable price floors and rules around imports and investment. International relations

International relations

17 International relations

Most recently, China extended licensing controls to foreign-made products using critical minerals or processing technologies sourced from China, International relations; Free and frank opinions These restrictions were suspended in November 2025 for one year following negotiations between China and the US, International relations; Free and frank opinions

20 New Zealand purchases critical materials and finished products [redacted] from China. [redacted]

[redacted]

21 [redacted] several of New Zealand's strategic partners have pressed for increased investment and international cooperation. The European Union, India, Japan, Korea, the United Kingdom, Australia, and the United States are among those adopting strategies to diversify and secure their critical minerals supply chains, including through international collaboration.

22 Several global critical mineral initiatives are operating in parallel. This includes the US-led Forum on Resource Geostrategic Engagement (FORGE), the French-led critical minerals workstream in the G7, the International Energy Agency (IEA) Critical Minerals Working Party, OECD Critical Minerals Forum, and the QUAD Critical Minerals Initiative.

New Zealand has a part to play in the global critical minerals supply chain

23 International engagement supports Cabinet's agreed aim under the *Minerals Strategy for New Zealand to 2040* to double minerals exports to $3bn by 2035. New Zealand's role in the critical minerals supply chain is likely to be as a trusted, reliable supplier of minerals extracted under high standards as well as a supplier of innovative recycling and production technology.

24 Being part supply chain diversification efforts will carry reputational value with key strategic partners as well as broader longer-term economic value through greater security for vital key materials for New Zealand manufacturing. [redacted]

We have existing and potential extractive opportunities (see Appendix Two)

25 New Zealand has a critical minerals endowment that can support global supply over time. One operation (Taharoa Ironsands) exports ironsand concentrate containing critical minerals (titanium and vanadium) and exporting to China for steel production.

26 Westland Minerals Sands has been exporting heavy mineral concentrate containing rare earth elements, titanium and zirconium to China for separation and processing. However, on 20 March it announced that it was placing its operation into temporary care and maintenance, citing an increase in production and export costs due to the Iran conflict and pricing pressure on global titanium and mineral sands markets.

27 Tāiko Critical Minerals has been awarded a mining permit to extract ironsands containing titanium zirconium and rare earths. They expect first production early in 2028. Two other South Island gold mines are exploring opportunities to produce antimony from waste streams Commercial Information ; New Zealand Steel exports slag from its iron production processes that is processed to extract vanadium; and we import aluminium oxide and process it into aluminium metal at Tiwai Point.

28 MBIE considers there is potential to mine magnesium, nickel, chromium, titanium, phosphate, tungsten, and vanadium. Limited amounts of silica and lithium are currently being extracted from existing geothermal energy projects and there may be opportunities to extract critical minerals from supercritical geothermal projects.

Realising the potential critical minerals opportunities will take time and capital

29 Progressing an extraction opportunity from discovery to production takes capital and time. The time depends on the scale of the geological and engineering work required and permitting and consents. It generally takes around ten years to move from discovery to production for a small mine and up to 20 years for a large scale mine. It takes around three years if there is an existing mining permit. Capital will also be needed for projects that add value to extracted minerals such as processing infrastructure to increase the export value of the resource.

A growing number of innovative technology firms provide a further source of value

30 Recycling, recovery and reuse of critical minerals and novel extraction techniques are a growing area of research and investment. Several New Zealand firms are developing alternative recovery and recycling technologies for critical minerals. These technologies, if commercialised, could be delivered in other countries as intellectual property exports.

31 These firms typically use a model of research and development in New Zealand followed by a pilot plant and scaling to commercial scale overseas. Confidential advice to Government

Our critical minerals will deliver domestic and international value

32 Growing New Zealand's critical mineral sector will deliver value through both domestic growth and supporting international partners and global supply chains.

33 For example, production commencement at Tāiko Critical Minerals could add about 135 high-paying jobs to the West Coast. Commercial Information The Tāiko development is subject to a successful capital raise.

34 Domestically, increased critical minerals production will benefit New Zealand through more high-paying jobs, increased economic activity and infrastructure in production regions, mineral royalties for Crown-owned mineral resources, increased taxes from new and expanded business activity and greater export value.

35 Internationally, New Zealand would be positioned in the critical minerals supply chain as a trusted, reliable supplier of minerals extracted under high standards and a supplier of innovative recycling and production technology. Our current mining operations provide a small but useful diversification of sought after critical minerals. Understanding the whole of life value of our critical mineral endowment will require additional work.

Investment will be vital to developing critical minerals opportunities

36 Developing critical minerals opportunities is capitally intensive. Extraction requires large capital investment in plant and equipment and technology solutions need investment in multiple stages to get to a commercial stage. International interest in global critical mineral security has meant increasing interest from our partners in New Zealand investment opportunities.

37 Officials have engaged with partners to discuss investment in New Zealand's minerals sector. Commercial Information [redacted] The US has announced it has significant investment available for critical mineral projects, there could be opportunities for New Zealand projects.

38 Domestically, on 19 February 2026, Regional Development Ministers agreed to ring fence $80m of Regional Investment Fund (RIF) for critical mineral projects. The projects seeking funding through the RIF are likely to also require additional investment from other sources. Crown-investment in these projects is likely to make them more attractive to partners and contribute to a growing critical minerals pipeline.

We seek your agreement on next steps on the US–NZ Framework on critical minerals

39 The US has signed Frameworks on critical minerals with 21 countries[1] and is in negotiations with 17 others.

40 Confidential advice to Government [redacted]

[1] Argentina, Australia, the Cook Islands, DRC, Ecuador, Guinea, Indonesia, Japan, Kazakhstan, Malaysia, Mexico, Morocco, Paraguay, Peru, the Philippines, Rwanda, Thailand, the United Arab Emirates, the United Kingdom, Ukraine, and Uzbekistan

Confidential advice to Government

Legal professional privilege

Legal professional privilege

42 Legal professional privilege

43 Legal professional privilege

Regardless of amended language, risk will remain

44 Our previous paper [CAB-26-SUB- 0018] raised risks International relations , including: potentially leading to pressure to commit to future Crown financing; International relations; Free and frank opinions and degrading social licence. International relations; Free and frank opinions

Further engagement with Māori groups has reaffirmed concerns with the Framework

45 MFAT has engaged with Māori groups[2] on the proposed Framework under existing obligations to consult on international trade policy and other bilateral processes. They have reaffirmed their strong concerns on process, substance, and partnering with the US.

46 Ngā Toki Whakarururanga, one of the claimant groups in the Waitangi Tribunal's priority inquiry into climate change (Wai 3325), has raised the proposed Framework as an issue of significant concern and sought directions for further disclosure. In its recent minute, the Tribunal declined to issue

[2] Federation of Māori Authorities, Ngā Toki Whakarururanga, and Te Taumata

disclosure orders at this stage but noted that information relevant to the Framework should be addressed through upcoming Crown evidence. The Tribunal has directed MFAT and MBIE to provide an update on the Framework in March, and officials are working with Crown Law to prepare this material.

The US also proposes to commence negotiations on a plurilateral Agreement on Trade in Critical Minerals (ATCM)

47 International relations

New Zealand's interests are still aligned with the US intentions to diversify the critical minerals supply chain International relations; Free and frank opinions

International relations

49 International relations

International relations

And alternatives are years away

50 Alternative supply chains will likely take years to establish even with coordination and investment among partners. Recognising the direct and indirect economic equities, New Zealand needs to continue to balance the risks, International relations

51 International relations

MBIE will engage with iwi on critical minerals in the coming months

52 The negotiation of a proposed binding ATCM would engage the Crown's settlement obligations relating to Crown Minerals because of the potential for it to result in policy changes.

53 MBIE officials intend to write to a nationwide list of iwi who may have an interest in critical minerals to offer the opportunity to take part in information and engagement sessions on MBIE's ongoing critical minerals work. This work is part of the next phase of the Minerals Strategy. The focus will be on the development of the critical minerals sector in line with MBIE's responsibilities under the *Crown Minerals Act 1991*. MBIE will work with MFAT to identify how to address matters relating to trade and bilateral dimensions of New Zealand's critical minerals engagements, including as related to negotiation of a bilateral Framework arrangement with the US.

Next steps

54 Subject to Cabinet's approval of this paper, officials would re-enter negotiations with the US on the bilateral Framework. International relations Cabinet approval would be sought for conclusion of the Framework, and prior to any subsequent steps on the ATCM.

Cost-of-living Implications

55 There are no cost-of-living implications.

Financial Implications

56 As the Framework is non-binding there are no immediate fiscal implications attached to that arrangement. Future initiatives resulting from the Framework could carry fiscal implications including investment or financial support for

critical minerals through other mechanisms. The extent of these implications will need to be fully assessed as part of the further advice.

57 International relations; Free and frank opinions

Legislative Implications

58 As there are no policy proposals in this paper, there are no legislative implications.

Impact Analysis

Regulatory Impact Statement

59 A RIS is not required as there are no regulatory changes being proposed

Climate Implications of Policy Assessment

60 As there are no specific policy proposals at this stage, a Climate Implications of Policy Assessment disclosure is not required. A CIPA will be required if there are new policies and/or binding agreements that impact the emissions of the mining sector or associated industries.

Population Implications

61 There are no population implications.

Human Rights

62 Legal professional privilege

Use of external Resources

63 No external resources have been used in this work.

Consultation

64 This paper has been developed in consultation with The Treasury. The Department of Prime Minister and Cabinet Policy Advisory Group has been informed.

Communications

65 MFAT and MBIE, supported by relevant agencies, will prepare reactive material as well as material for a possible announcement for possible signing of the Framework. Any announcement on international cooperation in critical minerals would be led by the Minister of Foreign Affairs and supported by the Minister of Resources. [redacted] International relations; Free and frank opinions

66 Agencies will continue to work with Ministers to anticipate and prepare for any emerging communication risks.

Proactive Release

67 Consistent with established practice for ongoing negotiations and the grounds to withhold set out in the Official Information Act 1982, the Minister of Foreign Affairs and Minister for Resources intend to delay the release of this Cabinet paper beyond 30 business days. Subsequent release would be in redacted form.

Recommendations

The Minister of Foreign Affairs and the Minister for Resources recommend that the Committee:

1. **Note** that Cabinet previously noted that New Zealand would be represented at a ministerial meeting hosted by United States (US) Secretary of State Rubio in Washington DC on 4 February 2026 on a proposed agreement with the US on a Framework for Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths (the Framework) and invited the Minister for Resources to report back with further advice on the proposed Framework, and to seek approval for the next steps [CAB-26-MIN-0018].

2. **Note** that at the 4 February Ministerial in Washington DC, the US announced its intention to launch negotiations for an Agreement on the Trade in Critical Minerals (ATCM) which is expected to create a binding preferential trade bloc.

[redacted] International relations

4. **Agree** that officials should reengage with the US [redacted] Negotiations on the bilateral Framework, [redacted] Negotiations

5. **Note** officials will provide further advice to Cabinet after further information is known about the ATCM text and the implications of the ATCM on the proposed bilateral Framework are clearer.

6. **Note** that Cabinet approval will be sought for conclusion of the Framework, and to confirm subsequent steps on the ATCM.

7. **Note** that further engagement with Māori groups has confirmed their concern with the process and substance of the Framework, alongside reservations with cooperation with the US given recent geopolitical developments. MBIE and MFAT will undertake further engagement with Māori groups and this will inform further advice.

8. **Note** the negotiation of a proposed binding ATCM would engage the Crown's settlement obligations relating to Crown Minerals because of the potential for it to result in policy changes.

Authorised for lodgement.

Rt Hon Winston Peters

Minister of Foreign Affairs

Hon Shane Jones

Minister for Resources

Appendices

Appendix One Full text of the current draft non-binding framework on critical minerals

Appendix Two A3 on New Zealand’s critical mineral production and potential

Negotiations

Negotiations

Negotiations

New Zealand's Critical Minerals Production and Potential

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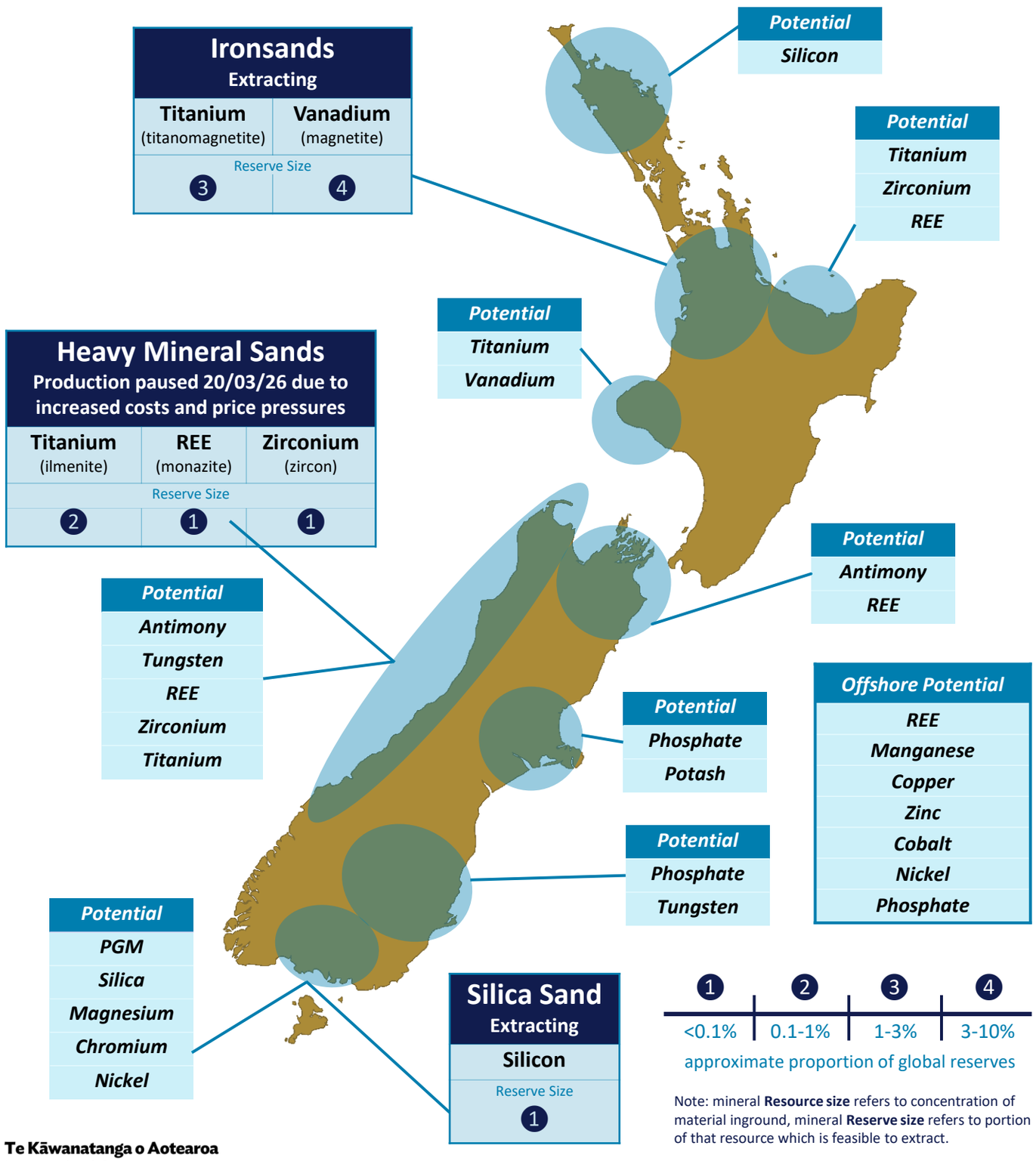
New Zealand is endowed with Critical Minerals

However, few Critical Mineral resources are currently being extracted. Potential resources require significant capital and time to reach production – typically 10-20 years from initial discovery, depending on scale and complexity, or 3 years from mining permit.

Traditional Extractives – Mining & Exploration



1 <0.1% | 2 0.1-1% | 3 1-3% | 4 3-10%

approximate proportion of global reserves

Note: mineral **Resource size** refers to concentration of material inground, mineral **Reserve size** refers to portion of that resource which is feasible to extract.

New Zealand contributes to Critical Minerals innovation

New Zealand technology and research entities are actively developing methods of recovering, recycling, and processing Critical Minerals, with more potential on the horizon.

Novel Recovery, Recycling & Processing Projects

Mineral	Sources (Feedstock)	Status of Projects
Aluminium	Alumina (aluminium oxide)	Commercial Information
Antimony	Geothermal brines Solid state waste	
Boron	Supercritical geothermal systems	
Cesium	Supercritical geothermal systems	
Cobalt	Ultramafic rock E-waste	
Copper	E-waste Supercritical geothermal systems Steel recycling waste	
Germanium	Geothermal brines	
Graphite	Forestry byproducts	
Magnesium	Ultramafic rock	
Manganese	Ultramafic rock Steel recycling waste	
Nickel	Ultramafic rock E-waste Steel recycling waste	
Palladium (PGM)	E-waste	
Rare Earth Elements (REE)	Supercritical geothermal systems	
Rubidium	Supercritical geothermal systems	
Silicon	Ultramafic rock Geothermal brines Silica sand Supercritical geothermal systems	
Titanium	Steel production slag	
Tungsten	Solid state waste	
Vanadium	Steel slag Solid state waste	
Zinc	Steel recycling waste	

Implementation of Critical Minerals innovation projects depend on capital and suitable feedstock at scale; many projects will only be suitable for IP export.

✶ Projects actively producing in NZ or may have potential to do so at commercial scale.

Information presented has been built off of A Minerals Strategy for New Zealand to 2040 and A Critical Minerals List for New Zealand (2025). Any inconsistencies from those works are a result of further acquired information.

March 2026

Te Kāwanatanga o Aotearoa
New Zealand Government

Uses / Applications of New Zealand's Producing & Potential Critical Minerals

Aluminium	Manufacturing & packaging, electronics, automotive, aerospace, defence applications
Antimony	Fire retardants, lead-acid batteries, electric vehicles (EVs), medical applications, defence applications
Boron	Steel hardener, heat-resistant glassware, insulation fibreglass, nuclear energy applications, fertilisers
Cesium	Atomic clocks, global positioning systems, photoelectric cells, chemical catalysts, medical applications
Cobalt	Battery and energy storage applications, electronics, alloys, fertiliser and livestock health
Copper	Electronics, wiring and cables
Germanium	Fibre optics, semiconductors, night vision
Graphite	Battery and energy storage applications, industrial lubricants
Magnesium	Lightweight alloys, aerospace, automotive, electronics, fertiliser and livestock health
Manganese	Batteries, electronics, steel production, fertiliser and livestock health
Nickel	Battery and energy storage applications, high-strength steel making
Palladium (a PGM)	Chemical catalyst, catalytic converters, electronics
Potash (potassium)	Fertiliser production
Rare Earth Elements (REE)	Permanent magnets, LEDs, lasers, smartphones, wind turbines, medical equipment, renewable energy solutions
Rubidium	Atomic clocks, global positioning systems, fibre optics, medical applications, electronics
Silicon	Nanomaterials, electronics, grid storage, EV batteries, solar panels, silicon wafers for semiconductors
Titanium	Alloys, aerospace, medical implants , white pigment, defence applications
Tungsten	Hardening alloys, aerospace, electronics, medical technology, industrial tools, defence applications
Vanadium	Alloys, catalysts, magnets, coatings, battery and energy storage applications
Zinc	Anodising, corrosion protection, fertiliser and livestock health
Zirconium	Fuel cells, nuclear reactor components, aerospace heat shields, auto catalysts, bearings

This work excludes gold, coal, and aggregate.