



Australia's critical minerals stockpile faces 'long road' to revenue

By Tom Rabe, 12 January 2026

Federal Resources Minister Madeleine King says Australia faces a long road before its much-vaunted critical mineral stockpile generates revenue for the country as the Albanese government courts G7 nations for new mining deals.

King on Monday announced [the \\$1.2 billion strategic reserve](#) would be in operation before the end of the year, with the government aiming to legislate new powers for Export Finance Australia to dictate fixed prices and secure offtake agreements with other countries.



Resources Minister Madeleine King and WA Resources Minister David Michael Jesinta Burton.

And while the Trump administration continues to talk up its interest in Greenland, including its mineral wealth, King maintained Australia had a competitive edge over the Danish territory when it came to mining.

"It doesn't have an advanced resources sector like we do in Western Australia in particular, but right across the country. So in the immediate, short to medium term, Australia is a much more desirable location for extracting and processing minerals," King said.

"I dare say that the challenge in Greenland is a lot around its geography, its remoteness, it's a different environment."

Australia signed a [\\$4.6 billion deal with the Trump administration](#) in October, guaranteeing long-term



supply of minerals and rare earths critical to defence and electric vehicle manufacturing.

King singled out the G7 nations, including Japan, as prime targets for offtake agreements via the government's new strategic reserve, which will stockpile specific minerals in Australia to ease China's stranglehold on the supply chain.

Treasurer Jim Chalmers is expected to brief the G7 on the strategic reserve in Washington this week. King said Australia's mining heft had helped secure a seat at the table.

'Upside for the taxpayer'

Gallium and antimony – which are used in magnets, radar systems, batteries and night vision goggles – were announced as the first two rare earth elements in the stockpile on Monday.

While King remains optimistic the reserve will eventually prove a net positive for taxpayers, she said it would take some time before it generated revenue for the country.

"It's going to be a long road, there's no doubt about it because it is a severely challenged industry, but the level of need for an alternative supply chain across a number of countries gives me much confidence that there will be that upside for Australia," she said.

"It won't be revenue upside in the immediate term, but I'm confident, as we change the dynamics of this global market, based on our abilities and our standards, that there will be an upside for the Australian taxpayer."

Association of Mining and Exploration Companies (AMEC) chief executive Warren Pearce said the success of the Albanese government's minerals reserve depended on Australia securing offtake agreements quickly. He envisioned the strategic reserve could generate revenue for Australia by 2030.

"This industry has moved remarkably quickly. I don't think there's any reason to think that growth is going to slow down. More likely will speed up," Pearce said.

"They are prepared to take some financial risk for this in order to make sure that we are working on our strategic interests, and that's really important to Australia, but also our strategic partners."

King said Export Finance Australia would soon be able to set fixed and floating prices for specific minerals to encourage investment and create stability in a market that has been heavily distorted by China's dominance.

"As prices rise, we think that there is the opportunity for the Australian taxpayer to get the upside of that



price rise as well," she said.

"It is such a challenging environment and in a challenging market that we have to be circumspect."

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