

Joint Press Release

The Japanese and French governments work together to support a heavy rare earth project in France

The Japanese and French governments welcome Iwatani Corporation's and Japan Organization for Metals and Energy Security (hereinafter "JOGMEC")'s participation in the refining project to produce heavy rare earths* planned by Caremag SAS (headquartered in Lyon, France; hereinafter "Caremag") and the signing of a long-term supply contract for the stable supply of these elements to Japan. The governments of Japan and France have expressed their support for the project.

(*) Rare earths are used in permanent magnets used in electric vehicle motors and various electronic components, etc. In particular, dysprosium and terbium, which are heavy rare earths, are necessary to provide heat resistance to magnets.

1. Outline of investment support

Caremag is currently planning to construct a rare earth plant in the Lacq industrial park in the Pyrénées-Atlantiques department in southwestern France to separate rare earths from 2,000 tons of recycled magnets, and 5,000 tons of raw ore, to produce individual rare earth oxides.

2. Outline of the Project

Referring to the "Japan-France Declaration on Cooperation in The Field of Critical Minerals" signed on May 1st, 2024, between the Minister of Economy, Trade and Industry (hereinafter "METI") of Japan and the Minister of Economy, Finance and Industrial and Digital Sovereignty of the French Republic, METI has decided to contribute approximately 100 million euros to the project through Japan Organization for Metals and Energy Security. The French government has decided to support the project with approximately 106 million euros since the beginning of the project, including subsidies and tax credits.

In addition to financial cooperation for the project, both governments will work together to develop resource diplomacy, such as encouraging rare-earth producing countries to secure rare-earth raw materials. This is a new alternative supply project for heavy rare earths that does not depend on a specific country, and is a symbolic project of cooperation between Japan and France in the critical mineral industry.