The First Cheque

Ottawa's critical minerals fund just made its opening move

By Diego Molina — Mediavertical

The Canada Critical Minerals Accelerator has moved from budget line to signed agreement, and the structure it chose for its first deployment — an equity-like co-investment into Teck's Trail smelter, alongside continued hard-line national-security screening of large foreign acquisitions — tells advisors more about how Ottawa intends to play this sector than the dollar figure does.

The fund has gone from policy to signed capital

The Canada Critical Minerals Accelerator, a $2 billion program housed at Natural Resources Canada and delivered through Export Development Canada, has signed its first Strategic Investment Agreement: an equity-like investment of up to $400 million from the Canada Growth Fund into Teck Resources' Trail Operations in British Columbia, as part of a total potential investment of up to $850 million to expand production of germanium, gallium, and antimony.

Trail is one of the largest fully integrated polymetallic smelting and refining complexes in the world, already producing nineteen distinct products. The choice of target signals intent: this is capital going into processing capacity at an existing, proven asset, not into early-stage exploration risk.

Why the structure is the real story

The Accelerator is explicitly designed to invest alongside industry through equity, debt, and offtake instruments, with returns intended to be recycled into further projects. That is a materially different posture from a grant or subsidy program. It implies Ottawa expects to behave like a co-investor with a return hurdle, not a funder of last resort — which changes how a private sponsor should structure a partnership approach: as a cap-table conversation, not a government-relations one.

For advisors structuring Canadian resource deals, the practical implication is that the Accelerator is a plausible co-investment counterparty in future processing and midstream deals, alongside pension-scale capital like PSP Investments, which already has a formal conflict-of-interest policy in place for exactly this kind of overlap.

Capital is welcomed in, but scrutinized on the way out

This deployment lands alongside a much more restrictive posture on large foreign acquisitions of Canadian critical-minerals producers. The proposed US$50 billion Anglo American–Teck combination is under a national security review through the Investment Canada Act, and government officials have said any major deal targeting Canadian critical-minerals producers will only be approved under the most exceptional circumstances — a bar first set explicitly during the Glencore–Teck coal-business approval and reaffirmed since.

That is a deliberate two-track policy: sovereign and allied capital is actively courted into processing and midstream assets, while ownership changes at the producer level face some of the toughest net-benefit scrutiny Canada has applied in this sector. Any advisory mandate touching Canadian critical minerals needs to price both tracks in from the outset.

The mergers-and-acquisitions pipeline behind this remains strong

None of this is happening in a quiet market. Global mining and metals mergers and acquisitions reached roughly US$70 billion in 2025, the highest in six years, and industry commentary expects further consolidation across copper, gold, and lithium as producers with global portfolios pursue targeted, multi-billion-dollar deals. The Trail agreement is a small deal by that yardstick — its significance is as the template Ottawa will reach for again.

If Ottawa is now a plausible equity co-investor in processing and midstream assets, does that change how you would structure the capital stack on your next Canadian resource mandate — and how would you price the government as a partner rather than a regulator?