

United States Antimony Corporation (UAMY)

Investment Thesis

United States Antimony Corporation is uniquely positioned as a near-term benefactor of rising global demand for critical minerals (particularly antimony) with expanding contracts and improving margins, offering a compelling entry into a high-growth yet under-covered niche.

Company Overview

United States Antimony Corporation (“USAC”) is a U.S.-based producer and processor of antimony (and related minerals such as zeolite) with mines, smelters and processing facilities in the U.S., Mexico and Canada. It aims to supply antimony oxide, metal, trisulfide and other derivatives used in flame retardants, batteries and defense applications.

The Problem & The Solution

The Problem

Antimony is classified as a critical mineral for many industrial and defense uses; supply is heavily dependent on foreign sources and exposed to geopolitical/social-risk (e.g., China, Russia). Many end-users face risk of supply disruption or cost escalation.

The Solution

USAC provides a domestic, integrated supply chain, from ore to smelter to deliver antimony products for industrial and defense applications. Its recent large contracts provide stability and scale growth.

Market Opportunity

The antimony market is niche but strategically critical. With increasing regulatory, industrial and defense drivers, the opportunity is meaningful:

- USAC reported revenue for the first nine months of 2025 of ~\$26.23 million (up ~182% year-on-year).
- The company projects full-year 2025 revenue of ~\$40-43 million and full-year 2026 revenue of ~\$125 million. While a precise global TAM (Total Addressable Market) number isn’t cited here, the rapid growth in revenue, contract backlog (including a ~\$245 million contract with the U.S. government) and strategic importance of antimony suggest a high-growth niche segment of the critical minerals market.

Business Model

USAC’s revenue model is straightforward: mine or purchase antimony ore, process it in-house at its smelter(s), and sell finished antimony products (oxide, metal, trisulfide) and related mineral products (zeolite) to industrial, defense and environmental users. Revenue streams include:

- Sales of antimony metal and oxide to industrial and defense users.
- Sales of zeolite and other minerals via its Bear River Zeolite facility.
- Long-term supply contracts (e.g., sole-source contracts) providing order visibility and scale. USAC monetises via product sales and contract fulfilment rather than licensing or high-tech margin models—straightforward mining/processing to industrial supply.

Competitive Positioning (The Secret Sauce)

- USAC claims to be the only fully-integrated antimony company in the free world (outside of China/Russia) with both mining and smelting operations.
- The securing of a major five-year contract with the Defense Logistics Agency (DLA) valued at up to \$245 million gives scale and credibility.
- The company is reducing cost input risk by acquiring and expanding its own ore supply (mine adjacent to its smelter in Montana), which can result in margin expansion.
- The strategic importance of its materials (antimony for flame-retardants, batteries, munitions) gives regulatory/defense tailwinds beyond pure commodity cycles.

Financial Snapshot & Traction

Latest results (first nine months ended September 30, 2025 unless otherwise noted).

- Revenue: ~\$26.23 million for first nine months 2025 vs ~\$9.31 million same period 2024 (approx +182% growth).
- Gross Profit: ~\$7.22 million (gross margin ~28%) vs ~\$2.26 million in 2024 (gross margin ~24%).
- Net Loss: ~\$4.05 million for the nine-months ended Sept 30, 2025. Non-cash items (share-based compensation) weigh on the result.
- Balance Sheet & Liquidity: Cash + investments totaled ~\$38.5 million at Sept 30, 2025 (vs \$18.2 million at Dec 31, 2024). Inventory of antimony ~230 tons valued at ~\$9.2 million.
- Key KPI / Contract Backlog: The DLA contract and a commercial supply agreement (reported ~\$107 million) provide visible future revenue streams.

Investment Highlights

Large & strategic long-term contract wins (e.g., DLA contract ~\$245 million) position the company for steady revenue growth.

Rapid recent revenue growth (182% Y/Y for first nine months 2025) and improved margin profile.

Domestic critical-minerals positioning with potential cost advantages via expansion of its own ore supply.

Exposure to an under-covered niche market (antimony) with higher barriers to entry and strategic importance.

Strong cash-investment base (~\$38.5 million) giving flexibility to execute growth plans.

The Vision

USAC envisions becoming the lowest-cost, fully integrated antimony producer in the free world—capitalising on accelerating demand for critical minerals in industrial, environmental and defense sectors. With sizeable new contracts, expansion of its Montana mine and smelter capacity, and an aim to grow from ~\$40-43 million revenue in 2025 to \$125 million in 2026, the company is positioning for transformative scale. Over the longer term, USAC wants to be a key supply chain partner to U.S. industrial and defense markets, unlocking significant upside potential.