

# DSMC

Deep Sea Mining Campaign

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## New report finds The Metals Company own analysis shows project “cannot be profitable”

A new independent analysis of the pre-feasibility study (PFS) produced by The Metals Company (TMC) has found that **on its own numbers, this project makes zero profit** then collapses, raising serious questions about the project’s financial and technical credibility.

The [report released today](#) was authored by an experienced consultant specialising in evaluating the environmental impacts of mining, Dr. Steven H. Emerman. He assesses the project against recognised mining and financial disclosure standards, and notes that according to **TMC’s own modelling** the operation would **fail to deliver any meaningful profit**.

Dr. Emerman says “Based on the company’s own modelling, the project would exhaust its mineral reserves within eight years, and generate no profit. The economic case depends on assumptions that go beyond what regulators consider economically viable.”<sup>1</sup>

### Key findings

The report identifies other fundamental issues with the project’s economic and technical assumptions:

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<sup>1</sup> SEC regulations distinguish between “mineral reserves” (economically mineable) and “mineral resources” (less certain). Inferred resources, the lowest confidence category, cannot be used in economic analysis or converted into reserves. The report finds that the PFS relies on both reserves and resources, overstating the project’s economic case.

- **Best-case economic assumptions:** The model relies on high metal prices, optimistic recovery rates, paying no royalties to the US Government, and minimal allowance for rising costs or closure liabilities.
- **Legal and regulatory uncertainty:** The project assumes processing pathways that with a US permit in international waters may conflict with international law, including obligations under UNCLOS.
- **Speculative revenue streams:** Over 28% of projected revenue depends on manganese silicate markets and processing infrastructure that do not currently exist at scale.
- **Failure to meet disclosure standards:** The PFS claims “zero waste” and lacks a credible waste management plan, contrary to standard mining practice and disclosure requirements.
- **Data inconsistencies:** Tens of millions of tonnes of nodules don't reconcile between resource and reserve estimates. TMC's numbers simply don't add up.
- **Lack of independence:** Significant portions of the PFS appear to have been prepared internally by TMC employees rather than independent experts, which would not be allowed under some jurisdictions.

Andrew Whitmore, Finance Advocacy Officer at the Deep Sea Mining Campaign, said:

“This is an economically precarious project that collapses on its own numbers. That is not a credible foundation for investment.”

“What we see here is a model built on optimistic assumptions, speculative markets, and unresolved legal questions. A prefeasibility study should take a balanced approach with independent input, but this analysis demonstrates TMC using optimistic figures in order to produce positive results. The fundamentals simply do not stack up.”

## **Implications for investors and regulators**

The report raises concerns about whether the project meets basic standards expected under securities and mining disclosure frameworks, including those associated with the U.S. Securities and Exchange Commission (SEC).

It also highlights broader risks for investors and policymakers, particularly where projects depend on untested markets, uncertain regulatory pathways, and incomplete technical assessments.

After assessing the project against established technical, financial, and regulatory benchmarks, the report considers revising the report to deal with the mistakes, but based on the evidence concludes that abandoning the project is the only responsible course of action.

**ENDS**

## **Notes for editors**

- [The report](#) was co-commissioned by DSMC, Greenpeace International and MiningWatch Canada. It was authored by Dr. Steven H. Emerman, an independent mining analyst specialising in the evaluation of mining projects and environmental impacts.
- The analysis reviews the pre-feasibility study (PFS) published by The Metals Company and assesses its economic assumptions against recognised mining and financial disclosure standards. The PFS is publicly available here: <https://investors.metals.co/static-files/70480258-28e8-4d8c-aea5-f8767edc0396>
- The report has received [exclusive first media coverage in Oceanographic Magazine](#).
- The report finds that, based on minerals reserves alone, the PFS predicts the project would terminate after approximately eight years with no profit.
- It notes that the economic analysis relies on both 51 million wet metric tons of reserves, and an additional 113.1 million wet metric tons of mineral resources, including inferred resources. Under the U.S. Securities and Exchange Commission (SEC) regulations, only mineral reserves can be treated as economically viable, and inferred resources cannot be converted into reserves.

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