Ucore Announces Automatic Conversion of Debentures

written by Raj Shah | September 3, 2025

September 3, 2025 (Source) – Ucore Rare Metals Inc. (TSXV: UCU) (OTCQX: UURAF) ("**Ucore**" or the "**Company**") is pleased to announce that the last $1.1 million of the convertible debentures that were issued by the Company in May of 2020 (the "**Convertible Debentures**" of "**Debentures**") have been automatically converted into equity as a result of the triggering of a conversion clause in the Debenture agreement related to the Company's share price over the past twenty trading days (the "**Automatic Conversion**"). As a result of the Automatic Conversion, the Company today issued 1,222,219 units ("**Units**") and none of the Debentures remain outstanding.

A total of 2,800 Convertible Debentures were originally issued in May of 2020 at a price of $1,000 per Debenture and they bore interest at 7.5% per annum. The terms of the Debentures were amended in 2024 (see the Company's press release dated January 11, 2024). After the amendment, the Debentures had a maturity date of January 31, 2026. The amended conversion price was $0.90 per Unit, with each Unit consisting of 1 common share of the Company (a "**Common Share**") plus ½ Common Share purchase warrant (a "**Warrant**"). Each full Warrant is exercisable by the holder to purchase one Common Share at a price of $1.30 per share for a period ending on the maturity date of the Debentures, being January 31, 2026.

Pursuant to the terms of the Debenture agreement, the outstanding principal amount of each Convertible Debenture is to be automatically converted into Units at the conversion price ($0.90) if the Common Shares traded at a closing price of $2.20

or more on the TSX Venture Exchange for 20 consecutive trading days. On September 2, 2025, the Company's Common Shares traded at a closing price above $2.20 for the 20th consecutive trading day. As a result, the Debentures automatically converted into Units of the Company as outlined above.

Since May of 2020, and prior to the triggering of the Automatic Conversion, a total of 1,700 Debentures had already been converted to Units of the Company at the election of the holders or repaid. As a result of the Automatic Conversion, the remaining 1,100 Debentures have now been converted, resulting in the issuance of 1,222,219 Common Shares and 611,108 Warrants, with the above-noted terms.

Certain of the Convertible Debentures which were automatically converted were owned by a related party of the Company. Specifically, Pat Ryan (Ucore's Chairman and CEO) held 10 of the Convertible Debentures (representing a principal amount of $10,000). The above-described transaction with Mr. Ryan is considered to be a related party transaction within the meaning of Multilateral Instrument 61-01 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 since neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves interested parties, exceeds 25% of the Company's market capitalization. No new insiders and no control persons were created in connection with the closing of the transactions.

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About Ucore Rare Metals Inc.

Ucore is focused on rare-earth and critical-metal resources,

extraction, beneficiation, and separation technologies with the potential for production, growth, and scalability. Ucore's vision and plan is to become a leading advanced technology company, providing best-in-class metal separation products and services to the mining and mineral extraction industry.

Through strategic partnerships, this plan includes disrupting the People's Republic of China's control of the North American REE supply chain through the near-term development of a heavy and light rare-earth processing facility in the US State of Louisiana, subsequent SMCs in Canada and Alaska and the longer-term development of Ucore's 100% controlled Bokan-Dotson Ridge Rare Heavy REE Project on Prince of Wales Island in Southeast Alaska, USA ("**Bokan**").

Ucore is listed on the TSXV under the trading symbol "UCU" and in the United States on the OTC Markets' OTCQX® Best Market under the ticker symbol "UURAF."

For further information, please visit www.ucore.com.

Forward-Looking Statements

This press release includes certain statements that may be deemed "forward-looking statements". All statements in this release (other than statements of historical facts) that address future business development, technological development and/or acquisition activities (including any related required financings), timelines, events, or developments that the Company is pursuing are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance or results, and actual results or developments may differ materially from those in forward-looking statements.

For additional risks and uncertainties regarding the Company, its business activities, its ability to qualify for and receive any additional funding from any U.S. or Canadian government, the CDF and the aforementioned projects (generally), see the risk disclosure in the Company's MD&A for Q2 2025 (filed on SEDAR+ on August 28, 2025) (www.sedarplus.ca) as well as the risks described below.

*Regarding the disclosure above in the "About Ucore Rare Metals Inc." section, the Company has assumed that it will be able to procure or retain additional partners and/or suppliers, in addition to Innovation Metals Corp. ("**IMC**"), as suppliers for Ucore's expected future SMCs. Ucore has also assumed that sufficient external funding will be found to continue and complete the ongoing research and development work required at the CDF and also later prepare a new National Instrument 43-101 technical report that demonstrates that Bokan is feasible and economically viable for the production of both REE and co-product metals and the then prevailing market prices based upon assumed customer offtake agreements. Ucore has also assumed that sufficient external funding will be secured to continue the development of the specific engineering plans for the SMCs and their construction and eventual commissioning and operations. Factors that could cause actual results to differ materially from those in forward-looking statements include, without limitation: IMC failing to protect its intellectual property rights in RapidSX™; RapidSX™ failing to demonstrate commercial viability in large commercial-scale applications; Ucore not being able to procure additional key partners or suppliers for the SMCs; Ucore not being able to raise sufficient funds to fund the specific design and construction of the SMCs and/or the continued development of RapidSX™; adverse capital-market conditions; unexpected due-diligence findings; the emergence of alternative superior metallurgy and metal-separation*

technologies; the inability of Ucore and/or IMC to retain its key staff members; a change in the legislation in Louisiana or Alaska and/or in the support expressed by the Alaska Industrial Development and Export Authority (AIDEA) regarding the development of Bokan; the availability and procurement of any required interim and/or long-term financing that may be required; and general economic, market or business conditions.

Neither the TSXV nor its Regulation Services Provider (as that term is defined by the TSXV) accept responsibility for the adequacy or accuracy of this release.

CONTACTS

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