

Ucore Announces Brokered Offering of Units for up to \$5.35 Million

written by Raj Shah | June 16, 2023

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June 16, 2023 ([Source](#)) – [Ucore Rare Metals Inc.](#) (TSXV: UCU) (OTCQX: UURAF) (“**Ucore**” or the “**Company**”) has entered into an engagement letter with Research Capital Corporation (the “**Lead Agent**”), on behalf of a syndicate of agents, including Canaccord Genuity Corp. and Echelon Wealth Partners Inc. (collectively, the “**Agents**”), in connection with a ‘best efforts’ agency basis private placement of units of the Company (the “**Units**”) at a price of \$1.00 per Unit (the “**Offering Price**”) for minimum gross proceeds of \$4.0 million and maximum gross proceeds of \$5.35 million (the “**Offering**”). Each Unit will consist of one common share in the capital of the Company (a “**Common Share**”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one Common Share (a “**Warrant Share**”) for a period of 36 months following the closing date of the Offering at an exercise price of \$1.25.

The Company has granted the Agents an option (the “**Agents’ Option**”), exercisable in whole or in part prior to the closing of the Offering, to offer and sell up to an additional 802,500 Units at the Offering Price, for additional gross proceeds of up to approximately \$0.8 million. If the Agents’ Option is exercised in full, the aggregate gross proceeds to the Company will be approximately \$6.15 million.

“Having recently participated in the Critical Minerals Institute Summit in Toronto, we are more confident than ever that Ucore’s planned rare earth separation facility in Louisiana will be a critical component of a North American rare earth supply chain,” stated Pat Ryan, Ucore Chairman and CEO. “This Offering, together with the recent US\$4 million award from the US Department of Defense, positions the Company strongly as end users seek a Western rare earth element supply chain.”

The Units to be issued under the Offering will be offered to purchasers pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 – *Prospectus Exemptions* (“**NI 45-106**”), in all the provinces of Canada, except Québec. The Units will not be subject to resale restrictions pursuant to applicable Canadian securities laws.

The Agents will also be entitled to offer the Units for sale in the United States pursuant to available exemptions from the registration requirements of the *United States Securities Act of 1933*, as amended, and in those other jurisdictions outside of Canada and the United States provided it is understood that no prospectus filing or comparable obligation arises in such other jurisdiction.

The net proceeds of the Offering will be used for the following: (i) completing the commission trials at the Company’s RapidSX™ rare earth element (“**REE**”) commercial demonstration plant located in Kingston, Ontario (the “**Demo Plant**”); and (ii) working capital purposes.

There is an offering document relating to the Offering that can be accessed under the Company’s profile at www.sedar.com and on the Company’s website at www.ucore.com. Prospective investors should read this offering document before making an investment decision.

The Offering is scheduled to close on or about July 6, 2023, or such date as the Lead Agent and the Company may agree upon (the **"Closing Date"**), and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the conditional approval of the TSX Venture Exchange (the **"TSXV"**). Completion of the Offering remains subject to the receipt of all necessary regulatory approvals, including the approval of the TSXV.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the **"1933 Act"**) or under any U.S. state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act, as amended, and applicable state securities laws.

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About Ucore Rare Metals Inc.

Ucore is focused on rare- and critical-metal resources, extraction, beneficiation, and separation technologies with the potential for production, growth, and scalability. Ucore has an effective 100% ownership stake in the Bokan-Dotson Ridge REE project in Southeast Alaska, USA (the **"Bokan Project"**). 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 Strategic Metals Complexes (“SMCs”) in Alaska and Canada and the longer-term development of Ucore’s heavy-rare-earth-element mineral-resource property at Bokan Mountain on Prince of Wales Island, Alaska, USA.

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/corporateupdate.

About RapidSX™ Technology

Innovation Metals Corp. (“IMC”) developed the RapidSX™ separation technology platform with early-stage assistance from the United States Department of Defense (“US DoD”), later resulting in the production of commercial-grade, separated rare-earth elements at the pilot scale. RapidSX™ combines the time-proven chemistry of conventional solvent extraction (“SX”) with a new column-based platform, which significantly reduces time to completion and plant footprint, as well as potentially lowering capital and operating costs. SX is the international REE industry’s standard commercial separation technology and is currently used by 100% of all REE producers worldwide for bulk commercial separation of both heavy and light REEs. Utilizing similar chemistry to conventional SX, RapidSX™ is not a “new” technology but represents a significant improvement on the well-established, well-understood, proven conventional SX separation technology preferred by REE producers.

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, including without limitation statements with respect to: the timing and completion of the Offering; the ability of the Company to raise the minimum or maximum proceeds of the Offering; the intended use of proceeds from the Offering; the exercise of the Warrants; the receipt of any regulatory approvals, including the final approval of the TSXV; and future capital requirements. 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.

Regarding the disclosure in the press release above, the Company has assumed, among other things, that it will receive the approval of the TSXV in regard to the Offering and the issuance of the Units in connection therewith. If the TSXV objects or does not provide its approval for either of the transactions contemplated hereby, then the Company will have to negotiate revised terms with the applicable counterparties, and there is no assurance that the parties will reach an agreement that is acceptable to the Company. Regarding the disclosure that is in the "About Ucore Rare Metals Inc." and "About RapidSX™ Technology" sections above, the Company has assumed that it will be able to procure or retain additional partners and/or suppliers, in addition to IMC, as suppliers for Ucore's expected future SMCs. Ucore has also assumed that sufficient external funding will be found to complete the Demo Plant commissioning and demonstration schedule and also later prepare a new National

Instrument 43-101 technical report that demonstrates that the Bokan Project 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. 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 the Bokan Project; 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.

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