Ucore Launches US Department of Defense Funded $18.4 Million Commercial Rare Earth Refining Project

written by Raj Shah | July 14, 2025

Ucore announces:

- **Initiation of the USD$18.4 million DOD Phase 2 award for the scale-up of its Louisiana commercial rare earth refining complex.**
- **Successful separation of terbium and dysprosium – critical heavy rare earth elements ("HREEs") – further to its US DoD Phase 1 project, resulting in a payment in the amount of USD $1.1 million.**
- **An appreciation for recent DoD actions to diversify and secure domestic production, especially HREEs, which are tightly controlled by China.**

July 14, 2025 (Source) – Ucore Rare Metals Inc. (TSXV: UCU) (OTCQX: UURAF) ("**Ucore**" or the "**Company**") is pleased to announce that the Company and representatives of the US Department of Defense (the "**Project Team**") have completed their formal project kick off meeting with respect to the Company's previously announced USD$18.4 million Phase 2 Award (the "**Phase 2 Award**" or the "**Award**"). The Award facilitates the construction of the Company's first commercial scale RapidSX™ machine at its proposed Louisiana rare earth refining facility, which is focused on heavy rare earth elements (HREEs).

The Phase 2 Award is in addition to the previously announced

award in the amount of USD$4 million (the "**Phase 1 Award**"). The Phase 1 Award is a demonstration program to show the efficacy of the company's RapidSX™ proprietary processing in unlocking four primary rare earths required to produce rare earth permanent magnets – including highly sought after dysprosium. The Phase 2 Award is being administered as an increase to the Company's existing Phase 1 Agreement.

HREEs are crucial to US national security due to their vital role in advanced military technologies. Essential components utilizing these materials include power precision-guided missiles, radar systems, and F-35 jet engines. Beyond defense, HREEs are critical for advanced technologies like electric vehicles, renewable energy, robotics, artificial intelligence and semiconductors. Ucore's strategic partnership with the DOD, in particular as it relates to HREEs, is designed to address potential vulnerabilities as China continues to restrict exports, and thus help ensure US technological leadership in geopolitically tense times.

Phase 2 Award Update – Commercial Scale-Up

During the kick-off meeting, the Project Team confirmed near-term milestones and deliverables which are currently under way, including:

- detailed design and engineering of commercial-scale RapidSX™ columns at the Company's Commercialization and Demonstration Facility in Kingston, Ontario (the "**CDF**");
- Facility Engineering field work for the SMC in Alexandria, Louisiana.

Work under the Award will culminate with the construction of one commercial-scale RapidSX™ machine within the SMC in Louisiana, including commissioning, demonstration, and achieving 'Early

Production' readiness of salable individual rare-earth element ("**REE**") products. For further information with respect to the Phase 2 Award, please see Ucore press releases dated May 14, 2025 and June 2, 2025.

"*With Phase 2 of the Award fully mobilized we are now moving RapidSX™ from Commercial Demonstration scale toward Full Scale Production*", said Mike Schrider, Chief Operating Officer of Ucore. "*The DoD's continued support of our project and the rare earth sector at large will accelerate this process and help secure a North American rare earth supply chain.*"



Figure 1: *Borehole drilling being undertaken in Alexandria, LA, further to environmental, geometric, geotechnical, topographical, and utility assessments.*

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/1119/258719_1faccbf9945c9b77_001full.jpg

Phase 1 Award Update – Commercial Demonstration

The Company has completed the next significant DOD milestone by successfully separating terbium from dysprosium, the two critical HREEs used in permanent magnets. As such the company

further reports that it has received payment from the DoD in the amount of USD$1,057,412 further to Phase 1 of the Company's DoD Award. These invoices bring total payments received with respect to the Phase 1 Award to USD$3,352,884.

A total of USD$647,116 remains to be invoiced further to the Phase 1 Award. The Company expects to submit these invoices in the coming months following the completion of the associated milestones and reporting. The Phase 1 Award is being completed on a parallel path to the initiation of the Phase 2 Award.

Lastly, Ucore acknowledges and supports the U.S. Department of Defense's broader strategic initiatives to strengthen the domestic rare earth element (REE) supply chain. Recent policy considerations, including pricing floors and offtake commitments represent critical mechanisms to enhance industry stability and investment confidence. These efforts, alongside direct project funding such as the Phase 2 Award, are instrumental in advancing a robust, North American-centric REE supply chain independent of Chinese control.

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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'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.

Regarding the disclosure in the press release above about the amended OT Agreement and the expected successful progress of the project and the resulting milestone payments from the DoD, the Company has assumed that the project (including each of its milestones and the Company's objectives in this regard) will be completed in a satisfactory manner and in a reasonable period of time within approximately the next two years. Regarding the disclosure in the press release above about the other forms of government support for Ucore, the Company has assumed that the

applicable projects (including each of the associated milestones) will be completed satisfactorily and in accordance with the respective agreements or letters of intent (as applicable) for such government support. 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 Q1 2025 (filed on SEDAR+ on May 9, 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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