

Ucore's Louisiana Rare Earth Refinery is Strategically Aligned with the United States' Objectives on Western Supply Chain Resilience

written by Raj Shah | May 15, 2024

May 15, 2024 ([Source](#)) – [Ucore Rare Metals Inc.](#) (TSXV: UCU) (OTCQX: UURAF) (“Ucore” or the “Company”) is pleased to comment on the US Government’s announcement to strengthen the developing American electric vehicle (“EV”) market through increased tariffs on imports from the People’s Republic of China (“PRC”) to protect American workers and businesses. On May 14, 2024, [the White House announced](#):

“With extensive subsidies and non-market practices leading to substantial risks of overcapacity, China’s exports of EVs grew by 70% from 2022 to 2023-jeopardizing productive investments elsewhere. A 100% tariff rate on EVs will protect American manufacturers from China’s unfair trade practices.”

Simultaneously, the [US Trade Representative issued a statement on Section 301 tariffs](#) recommending a series of steps to eliminate the PRC’s unfair trade practices, which include:

“... (4) continuing to assess approaches to support diversification of supply chains to enhance our own supply chain resilience.”

and a new 25% tariff on permanent magnets^[1].

Permanent magnets are the essential component inputs for EV motors that are currently 90% plus controlled by China. Therefore, these government EV policy developments strategically align with Ucore's heavy and light rare earth element ("REE") separation facility, which is advancing in Alexandria, Louisiana. **At total nameplate capacity, the Louisiana Strategic Metals Complex ("SMC") is designed to simultaneously process up to six different sources of US-friendly feedstock from all corners of the Western world.** This diverse supply chain, coupled with Ucore's focus on both heavy and light REEs, will help ensure Ucore's resiliency from any single geopolitical or natural instability as the nascent North American rare earth market takes root over the remainder of the decade.

Mike Schrider, P.E., Vice President and Chief Operating Officer of Ucore, stated: *"As US tariffs are implemented to level the commercial playing field by the US, our strategic ability to supply and support OEM EV manufacturers by processing heavy and light feedstock from a multitude of different Western sources essential to permanent magnet manufacturing, gives us the flexibility to grow and prosper at our Louisiana SMC. We expect this to be of significant benefit as we increase production from 2,000 tonnes per annum to our planned total nameplate production of 7,500 tonnes per annum^[2] over our first few years of production and subsequently expand our footprint across North America."*

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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 establishment of a heavy and light rare-earth processing facility in the U.S. State of Louisiana, subsequent Strategic Metal Complexes 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.

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 any disclosure in the press release above about the US Department of Defense or the Government of Canada Programs and the expected successful progress and resulting milestone

payments from these Programs, the Company has assumed that the Programs (including each of their milestones) will be completed satisfactorily. For additional risks and uncertainties regarding the Company, the CDF, the Demo Plant and ongoing Programs (generally), see the risk disclosure in the Company's MD&A for Q3-2023 (filed on SEDAR on November 20, 2023) (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 Strategic Metals Complexes ("SMCs"). Ucore has also assumed that sufficient external funding will be found to complete the Demo Plant demonstration schedule and also later prepare a new National Instrument 43-101 ("NI 43-101") technical report that demonstrates that the Bokan Mountain Rare Earth Element project ("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. 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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^[1] Many permanent magnets contain the rare earth elements praseodymium, neodymium, terbium, and dysprosium – the core planned rare earth oxide products of the Louisiana SMC.

^[2] Excluding cerium and yttrium.