USA Rare Earth and Australian Rare Earth Company Arafura Resources Enters Into Strategic Relationship

Dec 22, 2019

Australian Heavy Rare Earth Concentrate will be Processed at USA Rare Earth and Texas Mineral Resources' New Colorado Pilot Plant

USA Rare Earth CEO: Relationship is in Keeping with Australian-U.S. Governments' Mandate to Encourage Rare Earths Collaboration

NEW YORK, NY, Dec. 22, 2019 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE - USA Rare Earth LLC, the funding and development partner of the Round Top Heavy Rare Earth and Critical Minerals Project (Texas) with Texas Mineral Resources Corp. (OTCQB: TMRC), is pleased to announce a strategic relationship with Australia's Arafura Resources Limited (ASX: ARU) (Arafura or the Company), developer of its 100 percent-owned Nolans Bore Neodymium-Praseodymium (NdPr) deposit in the Northern Territory, Australia. Under the terms of a Letter of Intent, Arafura will send Heavy Rare Earth (HREE) concentrate from Nolans for processing at USA Rare Earth's Colorado pilot plant.

"As the U.S. and Australia are partner nations in the NTIB - the National Technology Industrial Base, and have announced a collaboration on strategic minerals exploration, extraction, processing and research, and development of rare earths and high performance metals, our collaboration with Arafura is also an example of concrete steps demonstrating how the U.S. and Australia can address the need for a reliable rare earth supply chain independent of China," said Pini Althaus, CEO of USA Rare Earth. "Our collaboration with Arafura also underscores the versatility of our Continuous Ion Exchange/Continuous Ion Chromatography (CIX-CIC) processing method that enables us to work with feedstock from projects other than our Round Top deposit."

"Arafura and the Australian Government, championed by the initiatives of Austrade, have combined to strengthen the working relationships with our U.S counterparts and we are excited to be playing our part in helping to establish a secure, long term supply of rare earths critical to the world. It's an exciting opportunity for Arafura to expand its customer potential and work with USA Rare Earth and our NTIB allies," said Gavin Lockyer, Managing Director of Arafura Resources.

In 2018, U.S. President Donald Trump and Australian Prime Minister Scott Morrison agreed that the United States and Australia - partners in the NTIB -- will work together on strategic minerals exploration, extraction, processing and research, and development of rare earths and high-performance metals. On November 19, 2019, the U.S. and Australia formalized their partnership on developing both nations' critical mineral assets, with a project agreement signed by Geoscience Australia and the United States Geological Survey (USGS). The signing paves the way for both nations to work more closely on understanding each country's geological resource potential for critical minerals, including rare earth elements, and developing a pathway to supply arrangements.

USA Rare Earth and Arafura agreed in the Letter of Intent to execute a Definitive Agreement in Q1 2020.

"We've demonstrated the versatility of CIX-CIC in successful grants for the U.S. Defense Logistics Agency and the U.S. Department of Energy," said Dan Gorski, CEO of TMRC and Round Top Project Manager for USA Rare Earth. "We look forward to showing how our method can work on Australian feedstock, as we establish a robust rare earth oxide supply chain."

About USA Rare Earth, LLC

USA Rare Earth, LLC has an option to earn up to an 80% interest in the Round Top rare earth and technical metals industrial minerals project located in Hudspeth County, Texas. Round Top hosts a large range of critical heavy rare earth elements, high-tech metals, including lithium, uranium and beryllium, and is among the lowest-cost rare earth projects in the world. The Round Top Deposit hosts 15 of the 17 rare earth elements, plus other high-value tech minerals (including lithium) and is well located to serve the US internal demand. Round Top contains 13 of the 35 minerals deemed "critical" by the Department of the Interior and contains critical elements required by the United States; both for national defense and industry. For more information about USA Rare Earth, visit www.usarareearth.com

About Arafura Resources Limited

Arafura Resources Limited (ASX: ARU) is an Australian rare earth development company focused on the commercialization of its Nolans Neodymium-Praseodymium (NdPr) Project in Australia's Northern Territory. The Company plans to produce 4,357 tonnes of separated NdPr oxide and 603 tonnes of SEG-HRE carbonate (containing heavy rare earths) each year for a minimum of 23 years from its mining and processing operation. The project has a completed feasibility study and full environmental permitting.

Arafura anticipates commencing construction in early 2021 subject to securing project funding. For more information about Arafura Resources, visit www.arultd.com.

About Texas Mineral Resources Corp.

Texas Mineral Resources Corp.'s focus is to develop and commercialize its Round Top heavy rare earth and industrial minerals project located in Hudspeth County, Texas, 70 miles southeast of El Paso. Additionally, the Company plans on developing alternative sources of strategic minerals through the processing of coal waste and other related materials. The Company's common stock trades on the OTCQB U.S. tier under the symbol "TMRC."

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Securities Act of 1933, as amended, and U.S. Securities Exchange Act of 1934, as amended, including, but not limited to, statements regarding the potential development of the Round Top project, estimates and projections regarding the economic feasibility of the Round Top project from the update PEA, including, NPV, IRR, payback period, capital cost, pricing assumptions, mining rate, average recoveries, oxide production amounts and methodologies, mine life, employment requirements, resource amounts and grades, projected revenues, initial capital costs, life of mine sustaining capital, cash flow projections, capital and operating cost estimates and projections, and sensitivity analysis, inclusion of uranium in future economic analyses, the potential to render high purity oxides, the Round Top facility generating critical technology oxides, release of the full PEA within a short period of time and other such similar statements. When used in this press release, the words "potential," "indicate," "expect," "intend," "hopes," "believe," "may," "will," "if, "anticipate," and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, uncertainty of mineralized material and mineral resource estimates, risks to projected and estimated economics not reflecting actual economic results due to the uncertainty of mining processes, potential non-uniform sections of mineralized material, potential mining hazards and accidents, changes in equipment and labor costs, changes in projected REE prices and demand, competition in the REE industry, risks related to project development determinations, the inherently hazardous nature of mining-related activities, potential effects on the Company's operations of environmental regulations, risks due to legal proceedings, liquidity risks and risks related to uncertainty of being able to raise capital on favorable terms or at all, as well as those factors discussed under the heading "Risk Factors" in the Company's latest annual report on Form 10-K as filed in November 2018 and other documents filed with the U.S. Securities and Exchange Commission. Except as required by law, the Company assumes no obligation to publicly update any forward-looking statements.

Company Contact:
USA Rare Earth LLC
Pini Althaus, Chief Executive Officer
Email: pini@usarareearth.com
Twitter: @USARareEarth

Company Contact:
Arafura Resources Limited
Gavin Lockyer, Managing Director
Email: arafura@arultd.com
Twitter: @ARULtd

Company Contact:
Texas Mineral Resources Corp.
Anthony Marchese, Chairman
E-mail: amarchese@tmrcorp.com
Twitter: @TexasMineralRes

