USA Rare Earth LLC Announces 100% Renewable Energy Plan for Round Top Mountain Rare Earth and Critical Minerals Project in West Texas

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CEO: USA Rare Earth Commits to Producing "Clean, Green Energy Materials" Using a "Clean, Green Process" and Being a Net Provider of Clean Energy

New York, NY, July 21, 2020 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- USA Rare Earth, LLC, the funding and development partner of the Round Top Heavy Rare Earth and Critical Minerals Project in West Texas together with Texas Mineral Resources Corp. (OTCQB: TMRC), is pleased to announce its commitment to power operations at its Round Top Heavy Rare Earth & Critical Mineral Project in Hudspeth County, West Texas with 100% renewable energy.

West Texas is widely recognized as one of the best places in the world for solar power. Hudspeth County reports 292 days of sunshine a year with annual average sunshine of approximately 10 hours per day. The flatlands to the north and west of Round Top Mountain are at an elevation of approximately 4,000 feet. The National Renewable Energy Laboratory (U.S. Department of Energy) reports annual average daily solar irradiance of more than 5.5kWh/m^2/day for southwest Texas, ranking the Round Top area in NREL's top category for solar irradiance (see https://www.eia.gov/energyexplained/solar/where-solar-is-found.php).

USA Rare Earth estimates it will require approximately 15 MW to support mining and processing, which it estimates will require a solar farm of approximately 45 acres. This could increase if the Company decides to relocate its sintered neo magnet manufacturing facility and associated infrastructure to the Round Top Mountain site. For perspective, the Round Top concession covers more than 60,000 acres of surface leases and land options.

"With more than 60% of the materials produced at Round Top being used in clean-tech and green-tech applications, we are now committing to extend that clean-green approach into how we design and operate the Round Top Mine," said Pini Althaus, CEO of USA Rare Earth. "Our 100% renewable energy plan means that USA Rare Earth will be producing materials for clean, green, renewable applications - using a process that employs clean, green, renewable power. In addition to powering our project, our approach will enable us to be a net provider of clean energy."

Mr. Althaus continued: "For too long, consumers in the U.S. and other industrial democracies have been sold a green fairy tale: the electrical vehicles we drive, the laptops and smart phones we use may be clean and green, but what we are not told is that the materials mined and processed to make them often come from Chinese facilities that cause terrible pollution locally, destroy villages, harm the lives of the workers who produce them, have made the inhabitants in surrounding areas sick, and contribute to global pollution. It's an open secret that China employs processes that would never be tolerated in the U.S. and other industrial democracies - processes that persist, despite China's claims it is cleaning up its rare earth and critical mineral industries."

"This hypocrisy has got to end. We are seeing multi-national corporations becoming ever more conscious of where they are sourcing their rare earths and battery materials. With today's announcement, USA Rare Earth is making it clear - there's a better way, a cleaner way, to produce clean and green materials using a clean, green process, without harming the environment and surrounding communities. The development of the Round Top project and other domestic rare earth projects is not just about the national security, economic and manufacturing issues that require immediate action to reestablish an independent supply chain, it is also about the United States and industrial democracies leading the way to ensure these critical materials are produced in an environmentally responsible manner," Mr. Althaus added.

Separation of the REEs and critical minerals extracted from the Round Top deposit will be accomplished using an environmentally benign, energy efficient process. USA Rare Earth's mine-to-magnet strategy to produce sintered neo magnets using feedstock from Round Top, recycled electronic scrap and process waste, and other NTIB-nation mines, is well advanced. USARE intends to establish a similar mine-to-battery approach for the lithium contained at Round Top.

As with any renewable energy source, Round Top Mountain will require either energy storage or trading, supplying excess energy to the grid balanced by drawing power at night and during the region's infrequent periods of low irradiance.

About USA Rare Earth, LLC

USA Rare Earth, LLC has an option to earn and acquire an 80% interest in, and is the operator of, the Round Top Heavy Rare Earth and Critical Minerals Project located in Hudspeth County, West Texas from Texas Mineral Resources Corp. (TMRC: OTCQB).

As much as 60% of revenues are expected to be from lithium for electric vehicle batteries and power storage systems, and neo magnet rare earths used in electric motors, wind turbines and a wide range of consumer goods.

The Preliminary Economic Assessment (dated August 16, 2019) projects a pre tax net present value using a 10% discount rate of $1.56 billion based on a 20-year mine plan that is only 13% of the identified measured, indicated and inferred resources. The PEA estimates an internal rate of return of 70% and average annual net revenues of $395 million a year after average royalties of $26 million a year payable to the State of Texas. Based on the cost estimates set forth in the PEA, Round Top would be one of the lowest-cost rare earth producers, and one of the lowest cost lithium producers in the world. The Round Top Deposit hosts 16 of the 17 rare earth elements, plus other high-value tech minerals (including lithium) and is well located to serve the US internal demand. In excess of 60% of materials at Round Top will be used directly in green or renewable energy technologies. 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.

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