



USA Rare Earth Awarded \$14.2 Million Texas Semiconductor Innovation Fund Grant to Accelerate Round Top Mountain Heavy Rare Earth Project

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Texas Investment Strengthens Integrated Rare Earth Value Chain and Supports 260 New Jobs in Hudspeth County

STILLWATER, Okla., May 12, 2026 (GLOBE NEWSWIRE) -- USA Rare Earth, Inc. (Nasdaq: USAR) (the Company) today announced that the State of Texas has awarded the Company a \$14,177,600 grant from the Texas Semiconductor Innovation Fund (TSIF) to accelerate development of its Round Top Mountain heavy rare earth project in Hudspeth County, Texas. The award supports a project expected to generate approximately 260 new jobs and to represent more than \$1.4 billion in capital investment in West Texas.

The Round Top Mountain deposit is one of the most significant domestic sources of heavy rare earth elements (HREEs) and select technology metals in the United States. The site contains an estimated one billion tons of material and 15 of the 17 rare earth elements, anchoring the Company's strategy to deliver mine to magnet capability to U.S. and global customers in defense, aerospace, semiconductor, data center, physical AI, autonomous systems, mobility, healthcare, and industrial sectors.

"USA Rare Earth is grateful to Governor Abbott and the State of Texas for this investment in America's critical minerals future," said Barbara Humpton, Chief Executive Officer of USA Rare Earth. "This Texas Semiconductor Innovation Fund award reinforces what we have known from the start: Texas is where America's rare earth independence begins. With our Round Top deposit in Hudspeth County and the support of visionary state leaders, we are building a fully integrated value chain from American soil, creating Texas jobs, and ensuring that the United States and its allies and partners never again depend on adversarial nations for the materials that power our national defense, advanced manufacturing, and next-generation technology. From mine to magnet and beyond, USA Rare Earth is proud to call Texas home."

"Texas is where hard work and innovation have long secured America's economic independence," said Governor Greg Abbott. "This Texas-sized investment by USA Rare Earth in Hudspeth County will create good-paying jobs in West Texas and reduce reliance on foreign supply chains for critical rare earth minerals that power our economic and national security. Working together with innovative industry partners, we will accelerate Texas' leadership in semiconductor manufacturing and advanced technologies for decades to come."

The Texas Semiconductor Innovation Fund was established under the Texas CHIPS Act, signed into law by Governor Abbott in 2023, to advance the state's leadership in semiconductor research, design, and manufacturing. The TSIF is administered by the Texas CHIPS Office within the Texas Economic Development & Tourism Office in the Office of the Governor.

Round Top Mountain and the USA Rare Earth Integrated Value Chain

The Round Top Mountain project anchors USA Rare Earth's domestic resource base and complements the Company's downstream operations across the United States and the United Kingdom and expected future operations in France and Brazil. These include the Company's rare earth permanent magnet manufacturing facility in Stillwater, Oklahoma; its rare earth research and development center in Wheat Ridge, Colorado; Less Common Metals (LCM) in Cheshire, United Kingdom, one of the world's few producers of rare earth metals and alloys outside of China; and the planned LCM Europe facility in France. In addition, the Company has entered into an investment term sheet to acquire an approximate 12.5% equity interest in Carester, a leader in rare earth processing and separation, and has entered into a definitive agreement to acquire Serra Verde Group (the "SVG Transaction"), owner of the Pela Ema rare earth mine in Brazil (subject to closing the SVG transaction). Together, these assets form a fully integrated value chain spanning extraction, separation, metals, alloys, and high-performance sintered neodymium-iron-boron (NdFeB) permanent magnets.

About USA Rare Earth, Inc.

USA Rare Earth, Inc. (Nasdaq: USAR) is building a fully integrated rare earth and permanent magnet value chain across the United States, the United Kingdom, France and Brazil. Through its ownership of Less Common Metals (LCM), one of the world's leading producers of rare earth metals and alloys, its development of magnet manufacturing capacity in Stillwater, Oklahoma, the Pela Ema mine in Brazil (subject to closing the SVG transaction) and the Round Top deposit in Texas, USA Rare Earth operates across the entire value chain from mining to metal-making, alloy production and neodymium magnet manufacturing. USA Rare Earth is establishing a secure, Western-aligned supply of materials essential to the aerospace and defense, semiconductor, energy, data center, physical AI, mobility, healthcare and industrial sectors.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include those relating to the anticipated benefits of the Texas Semiconductor Innovation Fund grant, the expected job creation and capital investment associated with the Round Top Mountain project, the timing and progress of the Company’s development plans, and the Company’s integrated value chain strategy. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. Words such as “anticipate,” “believe,” “can,” “continue,” “could,” “estimate,” “expect,” “growth,” “intend,” “may,” “might,” “plan,” “potential,” “project,” “propose,” “should,” “target,” “vision,” “will,” “would” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

Forward-looking statements are subject to risks and uncertainties and potentially inaccurate assumptions that could cause actual results to differ materially from our expectations, including without limitation: risks that the proposed transactions with the Serra Verde Group, Carester and Texas Mineral Resources Corp. may not be consummated on their anticipated timelines or at all; we may not realize the anticipated benefits of our proposed and prior acquisitions, including expected synergies, financial performance, estimated EBITDA and, in the case of the SVG transaction, integration of operations, on the anticipated timeline or at all; the ability of our Stillwater magnet manufacturing facility to commence commercial operations on the timing and with the production capacity anticipated or at all; our limited operating history; our ability to commercially extract minerals from the Round Top deposit on our anticipated timeline or at all; risks that we may experience delays, unforeseen expenses, increased capital costs, and other complications while developing our projects; our ability to raise necessary capital on acceptable terms or at all; potential dilution to existing stockholders and adverse effect on our stock price if we issue additional common stock or equity-linked securities; the volatility of our stock price; our ability to enter into definitive agreements for our proposed U.S. Government financing, which is subject to conditions precedent and final government approvals, on the anticipated terms or at all and, if executed, to satisfy the milestones and other conditions of such financing, which could impose conditions to access such financing over a period of time; the availability of rare earth oxide, metal feedstock and other materials, utilities (including power and water) and equipment in quantities and prices that allow us to develop and commercially operate our Stillwater facility and other facilities; our ability to meet individual customer specifications and produce a consistently high quality product; fluctuations in demand for and prices of neo magnets and our other products, including without limitation as a result of dumping, predatory pricing and other tactics by the Company’s competitors or state actors or the overall competitive environment; our ability to achieve positive cash flow or profitability or the ability to access cash flow within our corporate structure due to restrictions contained in our financing agreements; our ability to convert current commercial discussions and/or memorandums of understanding with customers for the sale of our neo magnets and other products into definitive orders; geopolitical developments or disruptions, such as changes in the political environment, export/import or environmental policy of the People’s Republic of China, the United States or other countries in which we operate or sell products or otherwise; war, terrorism, natural disasters or public health emergencies; our ability to retain or recruit key personnel; environmental, health and safety regulations; and our ability to comply with requirements for federal, state and local government incentives and financing.

Additional risks and detailed information regarding factors that may cause actual results to differ materially has been and will be included in the Company’s filings with the SEC, including the Company’s most recently filed Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q and subsequent filings. Any forward-looking statements speak only as of the date of this press release (or such other date as is specified in such statements), and the Company undertakes no obligation to update any forward-looking statements as a result of new information or future events or developments.

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