USA Rare Earth Produces Commercial Grade Dysprosium Oxide and Neodymium-Praseodymium Oxide Samples from Recycled Magnet Material at Wheat Ridge Facility

Jul 14, 2026

Positions USA Rare Earth as one of few companies outside of Asia with the capability to separate heavy rare earths

Represents important step toward an integrated value chain that secures global supply for advanced manufacturing and critical industries

Broadens Company's feedstock options to include recycled material, complementing planned oxide production from Round Top and Serra Verde concentrates

Samples to be sent to LCM for qualification; produced oxides to serve as feedstock to rare earth metal production, which supplies the Company's magnet manufacturing facilities in the United States

WHEAT RIDGE, Colo., July 14, 2026 (GLOBE NEWSWIRE) -- USA Rare Earth, Inc. (Nasdaq: USAR) ("USAR", "USA Rare Earth", or the "Company"), a rare earth, critical minerals and advanced materials company, today announced that its hydrometallurgical facility in Wheat Ridge, Colorado, has produced commercial-grade dysprosium (Dy) oxide and neodymium-praseodymium (NdPr) oxide samples from recycled rare earth magnet scrap, known in the industry as "swarf."

USA Rare Earth's successful separation of commercial-grade Dy oxide and NdPr oxide at Wheat Ridge is a pivotal milestone, establishing the Company as one of the few Western producers capable of executing this technically demanding process outside Asia. By bridging world-class upstream resources with advanced separation and processing, metallization, and magnet manufacturing, the Company's mission is to build the leading global rare earth and critical mineral value chain where each link reinforces the next. This achievement marks a critical step toward delivering a global, integrated solution to de-risk supply chains for defense, semiconductors, and physical AI infrastructure.

The Dy and NdPr oxides were produced using swarf, the fine scrap generated when neodymium-iron-boron (NdFeB) magnets are machined and finished, which in this case were sourced from the Company's Stillwater, OK magnet manufacturing facility. Turning that scrap back into high-purity light and heavy rare earth oxide broadens the Company's feedstock options and strengthens the circularity of its value chain, with swarf projected to support up to 30% of future magnetic rare earth oxide feedstock needs. This validation of the magnet swarf recycling flowsheet also lays the foundation to potentially incorporate end-of-life magnets as an additional commercial feedstock option.

The oxides produced at Wheat Ridge are expected to be sent to Less Common Metals ("LCM"), USA Rare Earth's subsidiary in the United Kingdom, for qualification and for conversion into rare earth metals and strip cast. The output from LCM, which is one of the few commercial scale metal, alloy and strip cast producers outside of Asia, is expected to serve as feedstock for the Company's magnet manufacturing facilities in the United States.

Dysprosium is one of the most technically challenging rare earth elements to separate at commercial purity, and today virtually all Dy oxide is produced in China. While NdPr provides the magnetic foundation of NdFeB permanent magnets, dysprosium is added in smaller quantities to allow magnets to retain performance and coercivity at high operating temperatures, a requirement of the aerospace, defense, electric vehicle, robotics and industrial motor applications that NdFeB magnets enable. Producers with the proven ability to separate heavy rare earths at commercial specification outside Asia remain scarce, and Dy availability is widely recognized as a primary constraint on the Western permanent magnet industry.

Today's production milestone places USA Rare Earth in that small group and establishes swarf from magnet manufacturing as a feedstock stream back into the Company's value chain, closing the loop between the Company's downstream magnet manufacturing and its upstream separation. Additional campaigns underway at Wheat Ridge are expected to process material from the Company's Round Top project and from Serra Verde's Pela Ema mine. These campaigns are expected to produce additional varieties of rare earth and critical mineral oxides in the coming weeks, further advancing USA Rare Earth toward proven capability across every stage of the rare earth value chain: mining, separation and processing, metal and alloy making, and permanent magnet manufacturing.

About the Wheat Ridge Facility

The Wheat Ridge demonstration facility runs 24 hours a day and is fully instrumented for real-time process monitoring across

every unit operation. The facility is built to digitally and physically simulate the Company's future commercial-scale operation, and the data it generates flows directly into the engineering design of a planned consolidated separation facility, which will process both magnet swarf and mixed rare earth carbonate (MREC). This allows the team to validate its proprietary flowsheets and refine the commercial design using live operating data and physical testing rather than theory alone.

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 and the United Kingdom, with plans for expansion in 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 magnet manufacturing capacity in Stillwater, Oklahoma, the planned acquisition of the Pela Ema mine in Brazil (subject to closing the Serra Verde Group 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 supply of materials essential to the aerospace and defense, semiconductor, energy, data center, physical AI, mobility, healthcare and other key industrial sectors. For more information, visit www.usare.com.

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 objectives, scope and anticipated benefits of the Wheat Ridge demonstration program; the Company's ability to validate and optimize its processing and separation flowsheets and to produce separated oxides at commercial quality; the Company's plans for a consolidated commercial separation facility for magnet swarf and mixed rare earth carbonate; and the Company's global 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," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "project," "should," "target," "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 the Company's expectations, including without limitation: the Company's ability to execute its business plan, including development of the Round Top deposit and its processing and manufacturing facilities; the timing and advancement of expected business milestones; the significant long-term and inherently risky investments the Company is making in mining and manufacturing facilities; the Company's ability to obtain additional or replacement financing as needed; risks that the proposed transactions with Serra Verde Group, Carester SAS and Texas Mineral Resources Corp. may not be consummated on their anticipated timelines or at all; the Company may not realize the anticipated benefits of its proposed and prior acquisitions, including expected synergies, financial performance, estimated EBITDA and, in the case of Serra Verde Group, integration of operations, on the anticipated timeline or at all; the ability of the Company's Stillwater facility or other future magnet manufacturing facilities to commence commercial operations on the timing and with the production capacity anticipated or at all; the Company's limited operating history; risks that the Company may experience delays, unforeseen expenses, increased capital costs, and other complications in operating its business; potential dilution to existing stockholders and adverse effect on the Company's stock price if the Company issues additional common stock or equity-linked securities; the volatility of the Company's stock price; the Company's ability to satisfy project milestones and other conditions to disbursement under the Company's financing arrangement with the Department of Commerce ("DOC") on the anticipated timeline or at all; the Company's dependence on continued governmental support for the DOC financing transactions, which remains subject to changes in laws, regulations, administrations and appropriations; extensive affirmative and negative covenants, domestic content and national security guardrail provisions and ongoing reporting obligations in the DOC financing agreements that restrict the Company's operational and financial flexibility; the risk that defaults under the DOC funding agreements could trigger cross-defaults across the Company's financing arrangements; the impact of the DOC's equity interest in the Company on the Company's ability to pursue strategic transactions and on the Company's relationships with customers, suppliers, partners and other counterparties; the availability of rare earth oxide, metal feedstock and other materials, utilities (including power and water) and equipment in quantities and prices that allow the Company to develop and commercially operate the Company's Stillwater facility and other facilities; the Company's ability to meet individual customer specifications and manufacture a consistently high quality product; fluctuations in demand for and prices of the Company's 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; the Company's ability to achieve positive cash flow or profitability or the ability to access cash flow within the Company's corporate structure due to restrictions contained in the Company's financing agreements; the Company's ability to convert current commercial discussions and/or memorandums of understanding with customers for the sale of the Company's 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 the Company operates or sells products or otherwise; war, terrorism, natural disasters or public health emergencies; the Company's ability to retain or recruit key personnel; environmental, health and safety regulations; and the Company's 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 U.S. Securities and Exchange Commission, 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

developments except as required by law.

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