USA Rare Earth Announces Start of Commercial-Scale Shipments and Sale of Heavy Rare Earth MREC from Serra Verde to US SIIE, LLC

Nov 9, 2026

Commenced commercial-scale shipments of mixed rare earth carbonate (MREC) in October and first sales in November, following successful completion of Stage 1 of its optimization and expansion program; production is ramping toward an initial run rate of ~4,000 tpa TREO, targeted for Q2 2027

Shipments are under 15-year, 100% offtake agreement for Phase I production based on non-China reference prices, capturing the current premium for heavy rare earths outside of China, and with guaranteed price floors for Nd, Pr, Dy and Tb

Marks USAR as the only scaled producer outside Asia of scarce heavy rare earths and all four key rare earths used in NdFeB magnets

Product meets customer's quality acceptance specifications as per the Offtake Agreement, demonstrating active production and validating Serra Verde's optimization program

Completion of Stage 2 of the optimization and expansion program is well underway and planned to be commissioned in Q3 2027, targeting an increased run-rate in production to ~6,400 tpa TREO by year-end 2027

STILLWATER, Okla., Nov. 09, 2026 (GLOBE NEWSWIRE) -- USA Rare Earth, Inc. (Nasdaq: USAR) ("USAR" or the "Company"), an integrated rare earth, critical minerals and advanced materials company and the only scaled producer outside Asia of scarce heavy rare earths, and all four rare earth elements used in NdFeB magnets, today announced it has begun shipping Mixed Rare Earth Carbonate ("MREC") to US SIIE, LLC, a special purpose vehicle funded by the U.S. Government (the "offtake partner"), under a 15-year, 100% take-or-pay offtake agreement (the "Offtake Agreement"). The Company began receiving payments under the Offtake Agreement in November. Deliveries demonstrate that USAR's fully-owned subsidiary Serra Verde is actively producing and supplying product that meets the customer's quality requirements as per the Offtake Agreement.

Highlights

- **Successful completion of flowsheet optimization:** Stage 1 of the optimization and expansion program successfully completed and commissioned within budget and on time, and commercial-scale production restarted. Ramp-up volumes and product quality being delivered as planned.
- **Shipments underway:** USAR has begun shipping MREC under its Offtake Agreement and began receiving payments.
- **Quality:** The product meets all quality acceptance specifications required by the offtake partner under the Offtake Agreement.
- **Pricing:** Priced in accordance with the Offtake Agreement, which is based on non-China prices. Recent non-China prices for dysprosium oxide are 14-16x higher than China prices[1]; recent prices for terbium oxide are 6-9x higher than China prices.[2]

"The start of commercial-scale shipments of MREC containing all four magnetic rare earths, yttrium and other valuable heavy rare earths to our offtake partner is a defining milestone for USA Rare Earth and for the broader effort to build a secure, reliable and responsible non-China supply chain for the heavy rare earths that power tomorrow's modern economy," said Thras Moraitis, Chief Executive Officer of USA Rare Earth. "USA Rare Earth is the only scaled producer outside Asia of the vital heavy rare earths used in advanced permanent NdFeB magnets, as well as other elements embedded in technologies such as renewable energy, mobility, robotics, drones, semiconductors, medical applications and defense. With Stage 1 of the optimization and expansion program successfully completed and commissioned, and shipments already underway, we continue to demonstrate our relentless focus on execution. We look forward to expanding Serra Verde's contribution of these scarce elements with the completion of our second stage of optimization and expansion in 2027."

"Executing on our first commercial product shipment under the Offtake Agreement is a proud moment for everyone at Serra Verde and, indeed, for Brazil," said Ricardo Grossi, Head of Upstream in Brazil. "It reflects the work of our dedicated and expert team in Brazil and the optimization program we have been executing to scale production and refine our process. We are ramping up and the optimized process is performing as we anticipated, with product quality ahead of planned specification, meeting our contractual obligations. We aim to continuously improve our execution and remain focused on ramping up production and shipments in a sustainable and responsible manner. This is an important moment for Brazil, a country which has the potential to play a pivotal role in the global supply of critical minerals, especially rare earths. As the first scaled processor of heavy rare earth-rich ionic clays

outside Asia, Serra Verde's processing technology is exclusively home grown – underlining the deep innovation and operational capabilities in Brazil. As always, we are grateful for the patience and support of our customers, our partners, the Federal and State governments and the Minaçu community, from which some 70% of our skilled workforce comes."

Serra Verde Optimization Program

Serra Verde is executing a two-stage optimization program, comprising its Phase I operations, including processing and throughput upgrades, designed to scale production toward its targets of ~4,000 tpa TREO ("total rare earth oxide") in Stage 1, and up to ~6,400 tpa TREO in Stage 2. In parallel, technoeconomic evaluation is underway for a potential Phase II expansion, which could double run-of-mine production from the same mineral deposit.

About the Offtake Agreement

Serra Verde's Offtake Agreement is a 15-year, 100% take or pay agreement providing for the sale of the products derived from Serra Verde's Phase 1 production to US SIIE, LLC, a special purpose vehicle funded by the U.S. Government. The Offtake Agreement provides floor prices for all four of the key rare earths that are required to make an advanced permanent NdFeB magnet: neodymium (Nd), praseodymium (Pr), dysprosium (Dy) and terbium (Tb). The floor prices are: $110/kg for each of Nd and Pr; $575/kg for Dy; and $2,050/kg for Tb. The floor prices help derisk cash flows and provide clear signals to incentivize investment in upstream production of vital heavy rare earth supply, while protecting against any potential non-economic supply from other producers. For each of the above elements, USAR is also paid 70% of the non-China market price in excess of the floor prices, less a fixed separation cost. Market price is based on defined European and US reference prices. Once the rare earth elements are separated, USAR's supply earns revenue from remaining valuable heavy rare earth elements, including yttrium.

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About USA Rare Earth

USA Rare Earth, Inc. (Nasdaq: USAR) is building a fully integrated rare-earth and permanent-magnet value chain across the United States, Brazil and the United Kingdom. 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, its Pela Ema mine in Brazil and the Round Top deposit in Texas, USA Rare Earth is pursuing capabilities across the 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.

For more information, visit www.usare.com

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These statements include those relating to the targeted production capacity as well as the debottlenecking and optimization program and Phase II expansion of the Pela Ema mine and processing facility, the ramp up of our production and shipments in a sustainable and responsible manner, the expected benefits of the Offtake Agreement and other statements regarding the Company's expectations for future development, operations, strategies, transactions and financial performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. Words such as "accelerate," "advance," "aim," "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 USA Rare Earth's expectations, including without limitation: potential delays in the optimization and commissioning program and the Phase II expansion at the Pela Ema facility; risks that the Offtake Agreement is terminated or ceases to be in full force and effect or that the counterparty to the Offtake Agreement is insufficiently capitalized, including as a result of a failure to finalize definitive debt financing arrangements within the timeframes contemplated by the Offtake Agreement; our ability to meet individual customer specifications and produce a consistently high quality product; physical climate risks related to our mineral projects and operations; risks that we may not realize the anticipated benefits of our combination with Serra Verde or our proposed and prior acquisitions, including expected synergies, financial performance, estimated EBITDA and, in the case of Serra Verde, integration of operations, on the anticipated timeline or at all; differences between planned and actual recovery and

yield rates; risks that we may experience delays, unforeseen expenses, increased capital costs, and other complications while developing our projects; risks and hazards associated with our production and manufacturing activities; risks that the proposed transaction with Carester may not be consummated on its anticipated timeline or at all; political, economic, regulatory, tax, currency and other risks associated with our foreign operations, including in Brazil and Switzerland; the assumption of the Offtake Agreement and substantial indebtedness under Serra Verde's Retained Finance Agreement, in each case which contains restrictive covenants and other requirements that could adversely affect our financial flexibility and operations; the ability of our planned Blacksburg 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 its anticipated timeline or at all and other risks related to developing and operating rare earth mines; 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 issues additional common stock or equity-linked securities; the volatility of our stock price; the availability of rare earth oxide, metal feedstock and other materials, utilities (including power and water), equipment and separation capacity in quantities and prices that allow us to develop and commercially operate our Stillwater facility, our Less Common Metals facility in the United Kingdom and other facilities; our relationship with Less Common Metals' suppliers and customers; potential supply chain, logistics or product delivery disruptions; any delays in obtaining or renewing permits and licenses; any changes in royalty rates or the imposition of new royalties; increased utility or transport costs; risks associated with community relations; fluctuations in demand for and prices of neo magnets, rare earth elements and our other products, including without limitation as a result of dumping, predatory pricing and other tactics by our 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; our dependence, in part, on the growth of existing and emerging uses for neo magnets; the risk that additional manufacturing, refining and mining competitors could result in a reduction in revenue; 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; our designation on an export control list by China which has had and is expected to continue to have an adverse impact on our ability to source key raw materials, equipment, supplies and technical services from China; war, terrorism, natural disasters or public health emergencies; our ability to retain or recruit key personnel; potential work stoppages or labor issues; environmental, health and safety regulations; the receipt of funding from the U.S. Department of Commerce is subject to the achievement of milestones which may not be achieved on the expected timeline or at all as well as other risks and uncertainties; the risk that any harm to our reputation and brand could adversely affect our business 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 have been and will be included in the Company's filings with the SEC, including under the heading "Risk Factors" in the Company's most recently filed Annual Report on Form 10-K, any subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, which are available on the SEC's website at www.sec.gov. 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, except to the extent required by law.

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[1] Based on Argus and Benchmark Minerals Intelligence indices from late October

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