

## VIRGINIA TECH BOLSTERS ACLARA'S RARE EARTHS SEPARATION PILOT PLANT, STRENGTHENING ACCESS TO TECHNOLOGY, INNOVATION AND TALENT

**TORONTO, ON, August 11, 2025** – Aclara Resources Inc. ("Aclara" or "Company") (TSX: ARA) is pleased to announce a strategic partnership with Virginia Polytechnic Institute and State University ("Virginia Tech") for the operation of its rare earths (REE) separation pilot plant. The facility will showcase Aclara's solvent extraction technology for producing individual high-purity light and heavy rare earth elements (HREEs). The partnership has been initiated through a non-binding memorandum of understanding ("MoU") between Aclara Technologies Inc., Aclara's U.S.-based subsidiary, and Virginia Tech, a public nonprofit institution of higher education recognized for its excellence in mining, minerals and materials science engineering. The MoU lays the groundwork for a long-term academic and scientific alliance, which will be formalized through definitive agreements between the parties.

The separation pilot plant, currently under implementation at the Virginia Tech Corporate Research Center, has been specifically designed based on the characteristics of Aclara's Carina Project mixed rare earth carbonate production. This will be a unique facility, distinguished by its access to a sustainable source of heavy rare earth feedstock, supplied by Aclara's pilot plant for mixed rare earth carbonates, currently operating in Goiânia, Goiás, Brazil. The facility is expected to produce over 99.5% pure didymium (NdPr), terbium (Tb), and dysprosium (Dy), demonstrating the seamless integration of Aclara's Brazil and U.S. operations.

This partnership underscores Aclara and Virginia Tech's shared commitment to securing a robust and sustainable domestic supply chain for critical HREE.

Hugh Broadhurst, Aclara's Chief Operating Officer, commented: "Our partnership with Virginia Tech marks a strategic milestone in Aclara's mission to address the critical vulnerability in the supply of heavy rare earths outside of China. By combining our HREE-rich feedstock and proprietary separation technology with Virginia Tech's academic excellence, we're delivering a concrete, integrated, independent and resilient solution to address a critical vulnerability for the United States and other countries. We are thankful for Virginia Tech's partnership and support and look forward to a long-term alliance that advances innovation, talent development, sustainable technology, and scientific leadership. This is just the beginning of something truly meaningful and a game-changer in the supply of HREE."

**Dr.** Aaron Noble, Professor and Department Head, Mining and Minerals Engineering, and Interim Department Head, Materials Science and Engineering, commented: "I am incredibly excited about this groundbreaking partnership between Aclara and Virginia Tech, as it represents a strategic alignment of values and vision. Aclara's leadership in rare earth extraction and processing complements our department's commitment to advancing technology and preparing future leaders in the mining industry. Once installed on the Virginia Tech campus, their pilot facility will bring cutting-edge industrial innovation to our doorstep while creating transformative opportunities to advance our ongoing R&D efforts in REE separations. Most importantly,

it will provide a unique platform for hands-on training and experiential learning—hallmarks of the Virginia Tech educational experience and essential for the next-generation REE workforce. This collaboration is a bold step that aligns research, education, and innovation to tackle some of the most pressing challenges in the mining industry."

Virginia Tech, through the work of Dr. Aaron Noble and colleagues in the Department of Mining and Minerals Engineering, has led several U.S. Department of Energy-funded projects focused on various aspects of the REE supply chain, from resource exploration to processing and recovery to elemental separations and refining. Over the last 10 years, Noble and colleagues in his department have completed over 64 federally sponsored REE R&D projects in total research funding exceeding \$32 million. Dr. Noble also collaborated with multiple U.S. universities to explore cost-effective and environmentally responsible mining and processing solutions. Together, these efforts have positioned Virginia Tech as a national leader in REE research and technology development.

Through this partnership, Aclara and Virginia Tech agree to establish a collaborative framework to provide Virginia Tech's students and faculty with access to Aclara's piloting facilities, to foster research and job opportunities in rare earths separation technology, and to provide Aclara with access to those research ideas and potential professionals for its future workforce. Both Parties expect to benefit from increased visibility and networking opportunities through Aclara's piloting facilities, which are expected to attract investors, journalists, government officials, industry companies, and technology developers.

## **About Aclara**

Aclara Resources Inc. (TSX: ARA), a Toronto Stock Exchange listed company, is focused on building a vertically integrated supply chain for rare earths alloys used in permanent magnets. This strategy is supported by Aclara's development of rare earth mineral resources hosted in ionic clay deposits, which contain high concentrations of the scarce heavy rare earths, providing the Company with a long-term, reliable source of these critical materials. The Company's rare earth mineral resource development projects include the Carina Project in the State of Goiás, Brazil as its flagship project and the Penco Module in the Biobío Region of Chile. Both projects feature Aclara's patented technology named Circular Mineral Harvesting, which offers a sustainable and energy-efficient extraction process for rare earths from ionic clay deposits. The Circular Mineral Harvesting process has been designed to minimize the water consumption and overall environmental impact through recycling and circular economy principles. Through its wholly-owned subsidiary, Aclara Technologies Inc., the Company is further enhancing its product value by developing a rare earths separation plant in the United States. This facility will process mixed rare earth carbonates sourced from Aclara's mineral resource projects, separating them into pure individual rare earth oxides. Additionally, Aclara through a joint venture with CAP, is advancing its alloy-making capabilities to convert these refined oxides into the alloys needed for fabricating permanent magnets. This joint venture leverages CAP's extensive expertise in metal refining and special ferro-alloyed steels. Beyond the Carina Project and the Penco Module, Aclara is committed to expanding its mineral resource portfolio by exploring greenfield opportunities and further developing projects within its existing concessions in Brazil, Chile, and Peru, aiming to increase future production of heavy rare earths.

## **Forward-Looking Statements**

This news release contains "forward-looking information" within the meaning of applicable securities legislation, which reflects the Company's current expectations regarding future events, including statements with regard to, among other things, the Company's corporate strategy; expectations as to activities conducted in connection with this non-binding MOU and the success, effect or outcomes resulting therefrom; the development of the separation technology for light and heavy rare earths, the successful integration between the U.S. separation project and the Carina Project in Brazil, and the economic effect of the non-binding MoU, and the Company's expectations as to the partnership contemplated thereby. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control. Such risks and uncertainties include, but are not limited to risks related to operating in a foreign jurisdiction, including political and economic risks in Chile and Brazil; risks related to changes to mining laws and regulations and the termination or non-renewal of mining rights by governmental authorities; risks related to failure to comply with the law or obtain necessary permits and licenses or renew them; cost of compliance with applicable environmental regulations; actual production, capital and operating costs may be different than those anticipated; the Company may be not able to successfully complete the development, construction and startup of mines and new development projects; risks related to fluctuation in commodity prices; risks related to mining operations; and dependence on the Penco Module and/or the Carina Project. Aclara cautions that the foregoing list of factors is not exhaustive. For a detailed discussion of the foregoing factors, among others, please refer to the risk factors discussed under "Risk Factors" in the Company's annual information form dated as of March 20, 2025, filed on the Company's SEDAR+ profile. Actual results and timing could differ materially from those projected herein. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained in this press release is provided as of the date of this press release and the Company does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

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