



ACLARA AND CAP INAUGURATE METALS AND ALLOYS DEMONSTRATION PLANT

TORONTO, ON, October 7, 2026 – Aclara Resources Inc. ("Aclara" or the "Company") (TSX: ARA) is pleased to announce the inauguration of a demonstration plant to develop the technology to produce rare earth metals and alloys. The demonstration plant was launched by Aclara Metals SpA ("Aclara Metals"), a 50/50 joint venture with CAP S.A. ("CAP"), focused on the development of rare earth metals and alloys production, and the technology draws on the metallurgical knowledge and experience accumulated over decades at CAP's Huachipato steelworks in Talcahuano. The start-up ceremony was attended by Sergio Giacaman, Governor of the Biobío Region, along with directors and executives of CAP, Aclara and Aclara Metals.



From left to right: Daniel Escobar, Biobío Regional Secretary of Mining (SEREMI); Christian Cifuentes, Biobío Regional Secretary of Economy, Development and Tourism (SEREMI); Álvaro Castellón, General Manager of Aclara Metals; Nicolás Burr, CEO of CAP; Ramón Barúa, CEO of Aclara; Jorge Salvatierra, Chairman of the Board of CAP; Sergio Giacaman, Governor of the Biobío Region; and Enrique Donoso, General Manager of Aclara Chile.

Using a molten salt electrolysis process, the demonstration plant will convert neodymium and praseodymium ("NdPr") oxides into metals and alloys. The facility is expected to validate this technology at industrial scale and under real operating conditions. It has been designed for a nominal production capacity of up to 175 kilograms of rare earth metal per day, with a target purity of at least 99.5%. Aclara Metals is also evaluating a second demonstration stage, following completion of the NdPr production stage, that would add dysprosium ("Dy") oxide to produce an NdPrDy alloy.

The demonstration plant will operate through production campaigns that are expected to validate its ability to produce metals and alloys under stable, continuous industrial conditions while meeting the quality specifications required by potential international customers. These campaigns are also expected to build operating experience and help train the teams involved in the future industrial facility.

Results based on real-world data from the demonstration plant are also expected to provide critical technical and operational inputs for the basic engineering for Aclara Metals' future industrial project in Louisiana, United States. This data will also be used to develop and refine predictive digital models that are aimed at optimizing the process and supporting a more stable and efficient operation of the electrolysis cells. The

detailed design of the industrial-scale electrolysis cell has been developed entirely by teams from Aclara Metals and Huachipato and constitutes proprietary technology of the Company. With no established industrial standards for this metallurgical process to metallize rare earths, Aclara Metals' internally developed know-how represents a high-value technological asset.

Rare earth metals and alloys are essential inputs for manufacturing the permanent magnets used in electromobility, robotics, wind power generation, and other advanced technologies. The initiative will also generate knowledge in Chile that is expected to contribute to the development of new technologies key to the energy transition.

Toward an Integrated Value Chain

The initiative is part of Aclara and CAP's strategy to advance toward an integrated, traceable, and sustainable rare earth value chain, spanning extraction and separation through to the production of metals and alloys. In Chile, extraction will take place at the Penco Module, the country's first rare earth deposit.

Jorge Salvatierra, Chairman of the Board of CAP, said: *"This plant is a concrete example of how the capabilities and knowledge developed over decades at Huachipato can be extended into new industries. We are combining metallurgical experience, infrastructure, and talent with new technological capabilities to innovate from Chile and to take part in a critical minerals value chain linked to the energy transition. It is also the kind of project we seek to drive as part of Huachipato's industrial transition, finding new uses for existing capabilities and opening space for knowledge- and innovation-intensive initiatives."*

Ramón Barúa, CEO of Aclara, said: *"This demonstration plant marks another important step in Aclara's development of an integrated rare earth supply chain. It complements our concentration pilot plants in Chile and Brazil and our separation pilot plant in Virginia, United States. With the addition of metallization and alloy production capabilities, Aclara is advancing toward an end-to-end technology and production platform integrating mining, concentration, separation, metallization, and alloy production. This completes a value chain that is critical to establishing a secure Western source of both heavy and light rare earths."*

Álvaro Castellón, General Manager of Aclara Metals, added: *"Rare earth metallization is a scarce, almost nonexistent technology in the West. This demonstration plant will allow us to replicate one of the four processes that make up metallization, generating concrete learnings that will complement the engineering work already underway as we advance toward a future industrial plant in the United States. Huachipato's metallurgical experience, together with the drive and conviction of CAP and Aclara, has created a unique combination that lets us move quickly and deliver concrete results."*

About Aclara

Aclara Resources Inc. (TSX: ARA), a Toronto Stock Exchange listed company, is focused on building a vertically integrated supply chain for rare earth alloys used in permanent magnets, as well as high-purity rare earth oxides, including yttrium and gadolinium, for power generation, aerospace and other high-performance applications. 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 earth 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 Canadian securities legislation and "forward-looking statements" within the meaning of applicable United States securities laws (together, "forward-looking information"). Forward-looking information includes, but is not limited to, statements regarding: the operation, nominal capacity, target purity and production campaigns of the demonstration plant; the ability of the demonstration plant to validate the technology and to meet customer specifications; a potential second demonstration stage involving dysprosium; the use of results and data from the demonstration plant in the basic engineering of Aclara Metals' future industrial project in Louisiana, United States, and in the development of predictive digital models; the development of the Penco Module and the receipt of environmental approvals; and the development of an integrated rare earth value chain. Forward-looking information is often, but not always, identified by words such as "expects", "anticipates", "plans", "intends", "targets", "evaluating", "will", "may", "could" and similar expressions.

Forward-looking information is based on assumptions that management believes to be reasonable, including that the demonstration plant will operate as designed; that the technology can be scaled up as anticipated; that required financing, permits and approvals will be obtained on acceptable terms and timelines; that Aclara and CAP will continue to support the objectives of Aclara Metals; and that market conditions for rare earth products will be favourable. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied, including: technical and operational risks associated with new metallurgical processes and their scale-up; the availability of financing; permitting and regulatory risks in Chile, Brazil and the United States; risks relating to joint venture arrangements; the protection of intellectual property; rare earth prices and competition, including from producers in China; changes in trade policy, tariffs and export controls; and the other risks described in the Company's most recent Annual Information Form dated March 18, 2026, and management's discussion and analysis, available on SEDAR+ at www.sedarplus.ca. Readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this news

release. The Company does not undertake to update any forward-looking information except as required by applicable securities laws.

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