



The Department of Commerce’s CHIPS Program Finalizes Definitive Agreement With USA Rare Earth For Up To \$1.6 Billion To Support The Company’s “Mine-to-Magnet” Strategy

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WASHINGTON, D.C. – The Department of Commerce’s CHIPS Program Office announced the signing of a final award for up to \$277 million in federal incentives and a loan agreement for up to \$1.3 billion with USA Rare Earth (USAR) under the CHIPS and Science Act.

The CHIPS funds will help strengthen the domestic semiconductor ecosystem by onshoring the supply of 12 critical and strategic minerals and establishing production capability for up to 10,000 tons per annum of rare earth metal alloy and Neodymium Iron Boron (NdFeB) magnets (also known as “rare earth magnets”).

The CHIPS funding will support USAR’s construction of a mining and processing facility at Round Top Mountain in Sierra Blanca, TX, and expansion and modernization of metal and magnet production facilities in Stillwater, OK and Blacksburg, SC.

The critical and strategic minerals produced from the mine will include dysprosium, holmium, lutetium, thulium, gallium, gadolinium, terbium, yttrium, erbium, ytterbium, hafnium, and zirconium. The combined production for the metal and magnet facilities will be 10,000 tons per annum of rare earth metals and alloys and 10,000 tons per annum of rare earth magnets.