ionic rare earths

ASX:IXR

ASX Announcement

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IXR TO PROGRESS USA RARE EARTH RECYLING CAPACITY WITH PROPOSED US STRATEGIC METALS JOINT VENTURE

IonicRE's wholly owned U.S. subsidiary, Ionic Rare Earths USA (Ionic USA) and Missouri-based US Strategic Metals (USSM) has entered into a joint venture term sheet for the construction of magnet recycling facilities at USSM's fully permitted site in Missouri, USA

Ionic Rare Earths Limited ("IonicRE" or the "Company") (ASX: IXR) has, through its wholly owned U.S. subsidiary, Ionic Rare Earths USA (Ionic USA), entered into a joint venture term sheet with Missouri-based US Strategic Metals (USSM) for the construction of magnet recycling facilities at USSM's fully permitted site in Missouri, USA.

The term sheet supersedes and materially advances the memorandum of understanding which the parties entered into as announced to ASX on 10 November 2025.

In a move that supports the Trump administration's efforts to secure U.S. leadership in critical minerals and energy, Ionic USA and USSM have agreed on a non-binding basis to form a jointly owned (50-50) Joint Venture (JV) that plans to develop an integrated campus for the production of critical minerals and metals at USSM's 1,800-acre (728.4 ha) fully permitted site near Fredericktown, Missouri.

The proposed 50-50 JV aims to construct one or more magnet and other rare earth recycling facilities at the site, processing recycled permanent neodymium-iron-boron (NdFeB) and samarium-cobalt (SmCo) magnets and magnet scrap. The proposed JV is also intended to evaluate recycling of other heavy rare earth elements (REEs) including Eu, Gd, Ho, Er, Tm, Yb, Lu and Y.

It is proposed that IonicRE's wholly owned Belfast subsidiary, Ionic Technologies, will contribute a non-exclusive licence to the proposed JV for its magnet recycling technology for the recycling of magnets and magnet scrap plus other heavy REE containing compounds.

It is intended that the proposed JV will be funded with US$100 million for the construction of initial NdFeB and SmCo magnet recycling facilities, comprised of US$95 million funding from USSM and a US$5 million equity contribution split equally between Ionic USA and USSM. It is intended that any additional capital required will be funded by the proposed JV.

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The proposed JV is conditional on a range of matters. These include entering into definitive agreements, each party making its capital contributions and a range of documentation and various other matters being agreed between the parties. Accordingly, there is no certainty that the matters contemplated by the term sheet will take effect.

It is proposed that the initial US$5 million equity contribution will be used to complete Front End Engineering Design (FEED) for the facility and accelerate demonstration-scale magnet recycling at the site or other location agreed by the proposed JV.

The proposed JV is intended to be managed by a board comprised of three managers appointed by USSM and two by Ionic USA, with the board responsible for managing day-to-day operations. It is intended that Ionic USA will chair a Technical Operations Committee and hold primary responsibility for the proposed JV's technical, operational, commercial and other matters. It is intended that Ionic USA will also be responsible for procuring feedstock for the JV.

IonicRE's Managing Director, Tim Harrison said: *"The proposed JV will seek to provide IonicRE with a practical and capital-efficient method of building rare earth magnet recycling capacity in the United States, the world's biggest economy."*

"Magnet recycling is a fast and low-cost pathway to developing a secure, sovereign and sustainable rare earths supply chain. It is intended that the proposed JV will deliver on the capability already demonstrated at demonstration scale at Ionic Technologies in the UK to deliver a resilient supply of high purity, separated REOs for U.S. industrial needs."

Stacy W. Hastie, Co-Founder & CEO of USSM commented: *"USSM is focused on being a leader in the establishment of supply chains for critical minerals and heavy rare earths and this agreement is a major step forward towards achieving our vision.*

"IonicRE has proven the capability of its rare earth permanent magnet recycling technology; now is the time to apply this on an industrial scale and we have the necessary, fully permitted site in Missouri to make this a reality.

"The United States will not be left behind in the race to build the industries key to national security and our economic future. We look forward to moving this JV forward as quickly as possible, working with the U.S. Government, IonicRE and other stakeholders."

Key benefits of the proposed Joint Venture

The proposed JV is intended to provide several benefits for IonicRE, including:

- Site infrastructure and U.S. execution capability provided by USSM.
- Providing IonicRE with a meaningful U.S. presence and aligning it with USSM and U.S. Government critical minerals priorities.
- Having a meaningful role as the JV technology partner, as well as having technical oversight, process optimisation, flowsheet decisions, product specifications, customer qualification and strategic supply arrangements.

The proposed JV is directly aligned with the historic critical minerals framework signed on 21 October 2025 by US President Donald J. Trump and Australian Prime Minister Anthony Albanese ("The United States– Australia Framework for Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths"), aimed at delivering a U.S.-Australia secured supply chain for critical minerals and rare earths, required for defence, advanced manufacturing and renewables.

IonicRE Executive Chairman, Brett Lynch commented: "*The United States is the world's biggest economy with the unmatched financial firepower and industrial know-how to drive development of this key technology.*

"We are delighted to upgrade our previously announced memorandum of understanding with USSM with the intention of building our first U.S. facility in Missouri in building a secure rare earths supply chain."

The companies are now progressing definitive agreements which are intended to be completed by the end of 2026.

Figure 1: Ionic Rare Earths and US Strategic Metals signing ceremony at the Australian Embassy in Washington, D.C. in November 2025. Back left to right, Mr Jason Robertson (Deputy Head of Mission and Ambassador to the Organization of American States, Australian Government), and Mr Seth Bailey (Deputy Assistant Secretary Bureau of East Asian and Pacific Affairs, US Government). Front left to right, Mr Michael Holloman (USSM Chief Commercial Officer), Mr Brett Lynch (IonicRE Executive Chairman), Mr Stacy W. Hastie (USSM Founder & CEO) and Mr James Durrant (RareX Limited Managing Director).

For more information about IonicRE and its operations, please visit www.ionicre.com.

Authorised for release by the Board.

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About Ionic Rare Earths Ltd

Ionic Rare Earths Limited (ASX: IXR or IonicRE) is an emerging miner, refiner, and recycler of sustainable and traceable magnet and heavy rare earths needed to develop net-zero carbon technologies.

Ionic Technologies International Limited ("Ionic Technologies"), a 100% owned UK subsidiary, has developed processes for the separation and recovery of rare earth elements (REE) from mining ore concentrates and recycled permanent magnets. Ionic Technologies is focusing on the commercialisation of the technology to achieve near complete extraction from end of life / spent magnets and waste (swarf) to high value, separated and traceable magnet rare earth products with grades exceeding 99.9% rare earth oxide (REO).

The Makuutu Heavy Rare Earths Project in Uganda, 60% owned by IonicRE, is well-supported by existing tier-one infrastructure and is on track to become a long-life, low Capex, scalable and sustainable supplier of high-value magnet and heavy REO.

IonicRE has also executed a transformational 50/50 joint venture refinery and magnet recycling facility in Brazil with Viridis Mining and Minerals Limited (ASX: VMM) to separate high value magnet and heavy rare earths from the Colossus Project's full spectrum of REOs.

This integrated strategy completes the circular economy of sustainable and traceable magnet and heavy rare earth products needed to supply applications critical to EVs, offshore wind turbines, communication, and key defence initiatives.

For more information about IonicRE and its operations, please visit www.ionicre.com.

About US Strategic Metals

USSM is a vertically integrated critical minerals platform with the objective of becoming the first major near-term domestic producer of critical minerals in the United States. The company's processing site in Missouri will produce important critical materials such as alloy grade cobalt, antimony sulfide, nickel metal, lithium carbonate, copper cathode and rare earth elements.

USSM's unique capacity to process complex poly-metallic sulfides using well-known methods combined with in-house, novel, but not complex technology makes it a global market leader in reliable, ethically sourced, and environmentally friendly strategic metals for U.S. and global markets.

Anchored by its team of experienced professionals, substantial domestic resources, and with a culture of innovation, USSM is building its capacity to meet the growing needs of the defence and advanced technology industries by ensuring sustainable, domestic supplies of strategic metals.

For more information about USSM, please visit www.usstrategicmetals.com

Forward Looking Statements

This announcement has been prepared by Ionic Rare Earths Limited and may include forward-looking statements. Forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Ionic Rare Earths Limited. Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this document speak only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Ionic Rare Earths Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions, or circumstances on which any such forward looking statement is based.

References to Previous ASX Releases

- *June Quarterly Activities and Cash Flow Report – 31 July 2026*
- *IXR starts FEED, permitting advancing in Belfast – 13 July 2026*
- *IXR starts REO supply to AML for USA NdFeB magnets – 25 May 2026*
- *IonicRE & Nth Cycle join forces to enhance REE processing – 21 May 2026*
- *IXR inks MOU with US Strategic Metals for Missouri magnet recycling – 10 November 2025*
- *IXR eyeing multiple magnet recycling plants in USA – 23 June 2025*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and all material assumptions and technical parameters continue to apply and have not materially changed.