



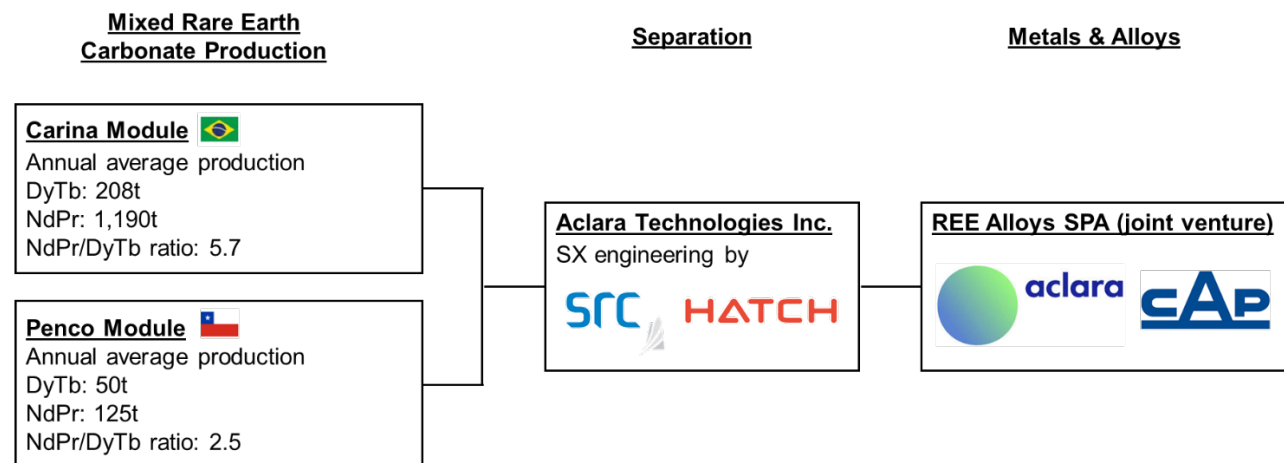
## ACLARA ANNOUNCES RARE EARTHS PROCESSING IN THE USA

**TORONTO, ON, April 3, 2024** – Aclara Resources Inc. (“**Aclara**” or the “**Company**”) (TSX: ARA) is pleased to announce that it has incorporated a U.S. based subsidiary, Aclara Technologies Inc. (“Aclara Technologies”), to develop its rare earths separation capabilities in the United States. This development will allow Aclara to better position itself to carry out all of the stages leading up to the production of metal and alloys for high performance permanent magnets, following the recent announcement that the Company has entered into a joint venture with CAP to develop metal and alloys capabilities. As a result, Aclara is positioned to become the first vertically integrated heavy rare earths company outside of Asia.

Aclara CEO, Ramon Barua, commented:

*“This strategic decision is only possible because of Aclara’s unique feed of clean heavy rare earths, particularly Dysprosium and Terbium, which is expected to be sourced from two stable and investment friendly countries in the Americas. This competitive advantage distinguishes Aclara from other players in the industry. By going further in the vertical integration of rare earths production, we improve our ability to commercialize our product while retaining the economic margins of this important stage in the value chain. Consequently, end users will benefit from a more cost competitive product built with traceable, fully ESG compliant materials, resulting in a stable long-term supply of heavy rare earths. We understand the importance of building a geopolitically independent supply chain for critical materials and we aspire to become a leader in that effort.”*

### Aclara’s Vertical Integration Strategy



The decision to integrate vertically responds to the need for creating a geopolitically independent supply chain for permanent magnets, a much-needed performance enhancer for the motors of electric vehicles, wind turbines, robotics and other applications associated with the decarbonization of our planet.

Aclara Technologies is expected to source high purity mixed rare earths carbonates from Aclara’s extraction modules in Chile and Brazil. These carbonates will be then converted into individual rare earths oxides in the separation facility. For this purpose, Aclara Technologies has awarded a contract to the Saskatchewan Research Council (“SRC”) to develop a production flowsheet specially designed for its premium carbonate,

and to Hatch Ltd. (“Hatch”) to work on the engineering of the proposed separation facility. Under the terms of the agreement, SRC will develop a conceptual Solvent Extraction (“SX”) separation process, which will serve as the basis for Hatch to conduct a Class 5-AACE CAPEX and OPEX estimation for the rare earth separation facility. The aim of this conceptual analysis is to design a plant capable of processing Aclara’s mixed rare earth carbonates into separated neodymium and praseodymium (NdPr) oxide (with a purity of 99.0-99.9% by weight) and dysprosium (Dy) and terbium (Tb) oxides (with a purity of 99.5-99.99% by weight). The engineering study is expected to be completed by the end of the third quarter of 2024.

The Company notes that the final decision to build the separation facility will depend on the completion of a thorough analysis of costs, logistics and time to permitting. Alternative locations currently under consideration include Brazil and Chile.

Aclara COO, Barry Murphy, commented:

*“This study represents the starting point of our strategic intent to vertically integrate our future mining operations into the production of separated rare earth oxides, and to position Aclara as a key player in the future supply of heavy rare earth oxides. Both SRC and Hatch possess the requisite expertise and experience to undertake this important work and we are therefore thrilled to be collaborating with these two highly reputable companies in the execution of the separation study.”*

The following senior engineers from SRC and Hatch will lead the separation engineering study:

- **SRC:** Baodong Zhao (PhD, P.Eng) has more than 25 years of experience in the metallurgical engineering and project management, especially in rare earth mineral processing and hydrometallurgy. He was previously an independent metallurgical consultant at REE Metallurgical Consulting and the Vice President of Metallurgy at Great Western Minerals Group Ltd. Over the past eight years, Baodong has worked on many rare earth projects by leading and participating in all aspects of laboratory and pilot plant test work, as well as preliminary economic assessments covering sample preparation, mineralogical characterization, beneficiation, hydrometallurgy and rare earth element separation using solvent extraction technology. Baodong is a reviewer for the Canadian Metallurgical Quarterly.
- **HATCH:** Rob Fraser has more than 30 years hydrometallurgical experience including operations, design, study management, commissioning, and technology commercialization. He obtained operations experience at Cawse Nickel (HPAL, SX, EW) and within Nyrstar at the Hobart and Cockle Creek Smelters. Major projects have included Voisey’s Bay nickel in Canada, where a hydrometallurgical demonstration plant (POX, SX, EW) was built before the commercial plant was taken to feasibility level and Goro Nickel Project, where he provided metallurgical support at the Yabulu refinery. Rob held roles, from Technical Manager and Deputy Project Manager on the commercial plant feasibility study, through to Lead Process, Module Construction Manager and Process Commissioning Lead on the demonstration plant. Rob is Hatch’s Global Hydrometallurgy Lead.

In parallel, Aclara will start to develop its metals and alloys capabilities through REE Alloys SpA, its recently established joint venture company with CAP S.A. (further details regarding the joint venture can be found in the Company’s press release issued on March 13, 2024). Aclara’s goal is to be able to connect all aspects of the production of clean rare earths up to the point where they are able to be received by a permanent magnet manufacturer. We expect that by approaching this effort under one company we will be able to capture synergies, reduce costs and expedite time to market.

Aclara’s patented extraction of heavy rare earths is quite unique, considering its low carbon footprint, very high levels of water recirculation (>95%) and circular economy principles. It does not involve blasting, crushing, or milling, and it does not generate any solid or liquid residues, thus eliminating the need for a

tailings storage facility. The ionic clay feedstock is amenable to leaching with a common fertilizer, ammonium sulfate. Further, harmful levels of radionuclides, typical of hard rock rare earth deposits, are not concentrated within the Aclara flowsheet. Finally, the Company aims to revegetate all impacted areas.

## **About Aclara**

Aclara Resources Inc. (TSX: ARA) is a development-stage company that focuses on heavy rare earth mineral resources hosted in Ion-Adsorption Clay deposits. The Company currently has two projects under development: the Penco Module in the Bio-Bio Region of Chile, and the Carina Module in the State of Goiás, Brazil.

Aclara's rare earth extraction process offers several environmentally attractive features. It does not involve blasting, crushing, or milling, and therefore does not generate tailings, thus eliminating the need for a tailings storage facility. The extraction process developed by Aclara minimizes water consumption through high levels of water recirculation made possible by the inclusion of a water treatment facility within its patented process design. The ionic clay feedstock is amenable to leaching with a common fertilizer, ammonium sulfate. Further, harmful levels of radionuclides, typical of hard rock rare earth deposits, are not concentrated within the Aclara flowsheet.

Simultaneously, alongside the development of the Carina and Penco projects, the Company intends to identify and evaluate further opportunities to increase future production of heavy rare earths. This will involve greenfield exploration programs and the development of additional projects within the Company's concessions in Brazil, Chile, and Peru.

## **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 the Company’s corporate strategy; expectations as to activities conducted in connection with the Carina Module and Penco Module, timelines for completion and the success, effect or outcomes resulting therefrom; the development of a separation facility and the related contracts and studies in relation thereto; the development and success of the Company’s vertical integration strategy; and plans as to expenditures, investments, and use of capital and financial resources in the near and long term. 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, the factors discussed under “Risk Factors” in the Company’s annual information form dated as of March 22, 2024 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 news release is provided as of the date of this news 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.*

## **For further information, please contact:**

Ramon Barua  
Chief Executive Officer  
investorrelations@aclara-re.com