

Texas Mineral Resources and JV Partner USA Rare Earth Enhance Round Top Operating Agreement to Include Flexible Financing Option to Meet Potential Future Cash Requirements

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- TMRC will have an alternative option aside from cash to meet potential future Round Top capital calls by reducing its Round Top project equity based on a preset formula tied to TMRC market capitalization at the time of any potential cash call
- Financing option avoids any potential need to raise capital through the issuance of TMRC equity securities which could unnecessarily dilute TMRC shareholders

SIERRA BLANCA, TX, June 27, 2023 -- via NewMediaWire - [Texas Mineral Resources Corp.](#) (OTCQB: TMRC)

[Texas Mineral Resources Corp.](#) ("TMRC"), an exploration company currently targeting the heavy rare earths, technology metals and a variety of industrial minerals through its 20% interest in the Round Top Mountain project in Texas, is pleased to announce that USA Rare Earth and TMRC have agreed to modify the existing Round Top Mountain Development ("Round Top") operating agreement ("Operating Agreement") to allow, at TMRC's option, the right to meet potential future cash calls by reducing its Round Top project equity according to a preset formula.

TMRC will have the sole right, but not the obligation, to allow USA Rare Earth to fund its cash call and then reduce its Round Top project equity by a percentage, according to the following formula: TMRC's cash call that is funded by USA Rare Earth divided by TMRC's market capitalization at the time of the cash call multiplied by TMRC's Round Top then current equity interest. For example, a \$1 million TMRC cash call funded by USA Rare Earth (assuming today's \$70mm market cap) would result in a reduction in the TMRC Round Top 20% membership interest to approximately 19.71% ($1\text{mm} \div 70\text{mm}$ equals 1.428%, multiplied by the current membership interest of 20%, to result in adjusted ownership of 19.71%).

Benefits to TMRC include:

- Avoids the need to raise capital to fund capital calls through the issuance of its equity securities; and
- Allows for any potential future financing to occur on an orderly basis.

"We wish to thank our joint venture partner USA Rare Earth for their unwavering support in working with us to structure a mechanism for meeting potential cash calls based on our market capitalization and without the need for us to raise outside capital," said Anthony Marchese, Chairman. "This financing option provides TMRC with enhanced flexibility and optionality to pursue any potential future financing on an opportunistic basis. Given that management and the board currently own approximately 33% of the TMRC shares outstanding, we have a significant vested interest in, and are committed to maximizing, shareholder value."

Dan Gorski, CEO, commented: "The agreement by USARE to modify our Operating Agreement does not change the bulk of the basic framework and structure of the original agreement, in that TMRC still maintains a seat on the three-person management committee and will continue to be an active participant in the project. We look forward to continuing to work with USARE to execute our strategy of maximizing the value of Round Top with the goal of developing a profitable and strategically vital mining operation. The plan to commercialize rare earth elements, lithium and other tech elements such as gallium, beryllium and hafnium from a cost-efficient heap leaching operation is, in our belief, a fact that has been underappreciated by the equity market."

About Texas Mineral Resources Corp.

[Texas Mineral Resources Corp.](#)'s strategy is to develop and commercialize, along with its joint venture operating partner USA Rare Earth LLC, its 20%-owned Round Top heavy-rare earth, technology metals, and industrial minerals project located in Hudspeth County, Texas, 85 miles southeast of El Paso. Additionally, the Company plans on developing other domestic mining projects in more traditional metals. To that end, the Company is currently analyzing the Blackhawk high-grade silver/cobalt/nickel deposit in New Mexico. The Company's common stock trades on the OTCQB U.S. tier under the symbol "TMRC."

Cautionary Note Concerning Forward-Looking Statements

This press release contains "forward-looking statements," as defined by the federal securities laws, including statements regarding our implementation of strategic initiatives and future performance of TMRC. Forward-looking statements reflect our current expectations and projections about future events, and thus involve uncertainty and risk. The words "believe," "strategy," "expect," "anticipate," "will," "could," "would," "should," "may," "might," "plan," "estimate," "intend," "predict," "potential," "continue," "maximize," "goal," and the negatives of these words and other similar expressions generally identify forward-looking statements. Such forward-looking statements are subject to various risks and uncertainties, including those described under the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended August 31, 2022, filed with the SEC on November 29, 2022, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC's website at www.sec.gov. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements.

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