

Form 62-103F1

Required Disclosure under the Early Warning Requirements

State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

This report updates information from a previous report dated August 19, 2022 that was filed by the Acquiror (as defined in Item 2.1 below) and which appears on the SEDAR profile of Ucore Rare Metals Inc. (the “**Issuer**”) on August 19, 2022.

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to the common shares of the Issuer (“**Common Shares**”), which are the Issuer’s only issued and outstanding voting shares. The Common Shares are listed for trading on the TSX Venture Exchange (“**TSXV**”) under the symbol “UCU” and the Shares trade in the United States on the OTC Markets’ OTCQX® Best Market under the ticker symbol “UURAF”. The CUSIP number for the Shares is 90348V301.

On December 11, 2020, the Issuer completed a 1-for-10 share consolidation. The Common Shares and any convertible securities described in this early warning report are reported on a post-consolidation basis. As at the date of this early warning report, the Issuer reports having 49,084,130 Common Shares issued and outstanding (prior to the closing of the Offering (defined below)).

The Issuer’s name is Ucore Rare Metals Inc. and the Issuer’s head office is located at 210 Waterfront Drive, Suite 106, Bedford, Nova Scotia, Canada, B4A 0H3.

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

This report was triggered by: (i) a renegotiation of the terms of the Line of Credit (defined below) and the resulting cancellation of 1.15 million warrants and the agreement to issue 1.15 million new warrants; (ii) a renegotiation of the terms of the Term Loan (defined below) and the resulting cancellation of 1 million warrants and the agreement to issue 1 million new warrants; and (iii) the Acquiror’s subscription for securities of the Issuer pursuant to the Offering. The issuance of these securities are conditional upon the approval of the TSXV. The agreements regarding the Line of Credit, the Term Loan and the offer to subscribe for securities in the Offering occurred directly between the counterparties and were not facilitated in a marketplace or with the assistance of a dealer or broker specializing in over-the-counter (OTC) securities.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Randy Johnson (the “Acquiror” or “Mr. Johnson”)
c/o P.O. Box 8158
5216 Borch Street North
Ketchikan, Alaska, USA 99901

Orca Holdings, LLC (“Orca”) is wholly owned by Mr. Johnson, serving as a holding company for Mr. Johnson’s securities holdings.

Mr. Johnson has been a director of the Issuer since October 6, 2020.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On December 19, 2022, the Issuer announced that it has renegotiated the terms of certain debt agreements with Orca and that Orca had also subscribed for securities pursuant to a non-brokered private placement.

Line of Credit

On July 20, 2022, the Issuer entered into an agreement with Orca for the provision of a short-term secured line of credit (the “**Line of Credit**”) from Orca to the Issuer in the amount of USD\$2 million, which has subsequently been drawn down in full by the Company (the “**Line of Credit Agreement**”). According to the Line of Credit Agreement, any amounts owing on the Line of Credit were to be repaid by the Issuer on January 20, 2023, unless the repayment date is accelerated due to the Company’s completion of an equity financing for net proceeds exceeding USD\$3 million whereby the repayment date would be five business days after the closing of such financing. The Issuer has announced that it expects to complete a non-brokered equity private placement for net proceeds of in excess of CAD\$4.2 million on or about December 22, 2022 (the “Offering”). Although the closing of the Offering would have triggered the full repayment, the parties have instead executed an amendment to the Line of Credit Agreement, whereby a total of USD\$850,000 will be repaid by the Issuer to Orca by December 30, 2022 (subject to the closing of the above-noted Offering), and the maturity date for the remaining USD\$1,150,000 will be extended to March 31, 2024 (the “**Line of Credit Amending Agreement**”). The parties also agreed to keep the annual interest rate on the Line of Credit at 9% even though market interest rates have risen since July 2022. A total of 1,150,000 warrants previously issued to Orca in connection with the Line of Credit Agreement are deemed to have expired concurrently with the execution of this Line of Credit Amending Agreement. In consideration for not requiring the full repayment of the Line of Credit, not increasing the interest rate and for extending the due date of the Line of Credit to March 31, 2024 on the USD\$1,150,000 that is expected to remain outstanding after the USD\$850,000 repayment is made following the closing of the Offering, a total of 1,150,000 warrants will be issued to Orca, with each warrant entitling Orca to acquire one Common Share at an exercise price of CAD\$0.75. These warrants will have a term ending on March 31, 2024. The issuance of these warrants is subject to the approval of the TSX Venture Exchange (“TSXV”). For the purpose of

this early warning report, Orca has assumed that the TSXV’s approval will be obtained in due course and that the warrants will be issued thereafter.

Term Loan

Orca is also party to a secured term loan (the “**Term Loan**”) that was made to the Issuer that currently has an amount owing of USD\$964,927.81 and a had maturity date of November 30, 2023. The parties have executed an agreement to extend the maturity date of this Term Loan to November 30, 2024 (the “**Term Loan Amending Agreement**”). The parties also agreed to keep the annual interest rate on the Term Loan at 9% even though market interest rates have risen considerably during 2022. A total of 1 million warrants with an exercise price of CAD\$1.20 that were previously issued to Orca in connection with the Term Loan are deemed to have expired concurrently with the execution of the Term Loan Amending Agreement. In consideration for extending the maturity date for the Term Loan to November 30, 2024 and for not increasing the interest rate, a total of 1 million warrants will be issued to Orca, with each warrant entitling Orca to acquire one common share of the Issuer (a “**Common Share**”) at an exercise price of CAD\$0.85. The warrants have a term ending on November 30, 2024. The issuance of these warrants is subject to the approval of the TSXV. For the purpose of this early warning report, Orca has assumed that the TSXV’s approval will be obtained in due course and that the warrants will be issued thereafter.

December 2022 Non-Brokered Private Placement

On December 6, 2022, the Issuer announced its plans to complete a non-brokered private placement of approximately 3.1 million units (“**Units**”) for total proceeds of CAD\$2 million (the “**Offering**”). Each Unit consists of one Common Share and one Common Share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder to purchase one Common Share at a price of CAD\$0.85 for a 24-month term. Each Unit offered was priced at CAD\$0.65. On December 19, 2022, the Issuer announced that it has received subscription agreements for in excess of CAD\$4.2 million and that the Company intends to increase the size of the Offering and accept these additional orders. Proceeds from the Offering are expected to be used towards, among other things, the partial repayment of the Line of Credit (as described above).

Orca has subscribed for a total of 1,785,000 Units in the Offering.

The closing of the Offering and the issuance of the Common Shares and Warrants will be conditional upon the final approval of the TSXV. For the purpose of this early warning report, Orca has assumed that the TSXV’s approval will be obtained in due course and that the warrants will be issued thereafter.

2.3 State the names of any joint actors.

Orca is a joint actor with Mr. Johnson, the Acquiror. Orca’s head office is the same address as referred to in Item 2.1. Mr. Johnson of Ketchikan, AK, USA is the sole shareholder of Orca.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.

This report was triggered by: (i) the renegotiation of the terms of the Line of Credit and the resulting cancellation of 1.15 million warrants and the agreement to issue 1.15 million new warrants; (ii) the renegotiation of the terms of the Term Loan and the resulting cancellation of 1 million warrants and the agreement to issue 1 million new warrants; and (iii) the Acquiror’s subscription for securities of the Issuer pursuant to the Offering. The issuance of the these securities are conditional upon the approval of the TSXV.

Prior to the implementation of the transactions described above regarding the Offering, the Line of Credit Amending Agreement and the Term Loan Amending Agreement, the Acquiror directly or indirectly held beneficial ownership of, and control and direction over, a total of 5,092,406 Common Shares, 3,000,000 warrants, and 265,000 stock options of the Issuer, representing approximately 10.37% of the issued and outstanding Common Shares (on a non-diluted basis) or approximately 15.96% upon the exercise of the warrants and the stock options (on a partially diluted basis).

Immediately following the expected upcoming completion of the transactions described above regarding the Offering, the Line of Credit Amending Agreement and the Term Loan Amending Agreement, the Acquiror is expected to directly or indirectly hold beneficial ownership of, and control and direction over, a total of 6,877,406 Common Shares, 4,785,000 warrants, and 265,000 stock options of the Company, representing approximately 12.38% of the issued and outstanding Common Shares (on a non-diluted basis) or approximately 19.68% upon the exercise of the warrants and the stock options (on a partially diluted basis). The figures in this paragraph assume that exactly CAD\$4.2 million will be raised by the Company in the Offering. Exact percentage ownership figures will not be known until all of the subscriptions for the Offering are finalized and accepted in preparation for the closing. The Acquiror will file an updated press release and early warning report if, as a consequence of the actual closing figures, there is a change in a material fact contained herein.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

Pursuant to the terms of the Line of Credit Amending Agreement, the Acquiror disposed of 1.15 million warrants and also acquired 1.15 million new warrants. Pursuant to the terms of the Term Loan Amending Agreement, the Acquiror disposed of 1 million warrants and also acquired 1 million new warrants. Pursuant to the terms of the subscription agreement that Orca has submitted to the Issuer pursuant to the Offering, Orca will acquire 1,785,000 Units in the Offering.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Please see Item 3.1 above.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

(a) the acquiror, either alone or together with any joint actors, has ownership and control,

Please see Item 3.1 above.

(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Orca has been a secured creditor of the Issuer since March 30, 2019 when Orca provided a term loan to the Issuer. Both the Line of Credit and the Term Loan described in item 2.2 above are secured loans bearing interest at 9%. Subject to the closing of the Offering and the expected repayment of USD\$850,000 by the Issuer to Orca, the Line of Credit will have an amount owing of USD\$1,150,000 and a maturity date of March 31, 2024. The Term Loan currently has an amount owing of USD\$964,927.81 by the Issuer to Orca and has a maturity date of November 30, 2024.

These secured loans have no impact on the Acquiror's holding of voting securities of the Issuer. Neither the Line of Credit nor the Term Loan are convertible into voting shares of the Issuer.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 – Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

See Items 1.2 and 2.2 above.

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See Items 1.2 and 2.2 above.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

See Items 1.2 and 2.2 above.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer.

The securities referred to above are held by the Acquiror for investment purposes.

Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**

- (f) a material change in the reporting issuer's business or corporate structure;**
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) a solicitation of proxies from securityholders;**
- (k) an action similar to any of those enumerated above.**

The Acquiror and/or one or more joint actors may, depending on market and other conditions, increase or decrease the Acquiror's beneficial ownership of Shares or other securities of the Issuer whether in the open market, by privately negotiated agreement or otherwise.

Except as described herein, while the Acquiror has no current plans or intentions that relate to or would result in the items listed in (a) through (k) above, depending on various factors including, without limitation, the Issuer's financial position, the price levels of the Shares, conditions in the securities markets and general economic and industry conditions, the Issuer's business or financial condition and other factors and conditions the Acquiror deems appropriate, the Acquiror and/or one or more joint actors may develop such plans in future.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

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Certificate

The certificate must state the following:

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: December 21, 2022

ORCA HOLDINGS, LLC

“Randy Johnson” (signed)

Name/Title: Randy Johnson, Director

“Randy Johnson” (signed)

Name of acquiror: Randy Johnson