USA Rare Earth Signs Supply Agreement with Australian Strategic Materials

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TAMPA, Fla., Aug. 3, 2023 /PRNewswire/ -- USA Rare Earth, LLC (USARE), a vertically integrated magnet technology company, announced today that it signed a multi-year supply agreement with Australian Strategic Materials Ltd. (ASX: ASM) (ASM), a producer of critical metals for advanced and clean technologies. This agreement secures rare earth metals that will be used as USARE ramps up production of high-performance rare earth magnets. Rare earth magnets are required for technologies ranging from cell phones and medical devices to EVs and numerous defense applications. USA Rare Earth is working to bring the production of these high-performance magnets back to America, supporting the future state of energy, mobility, and national security.



"Having a supply agreement in place with ASM plays a critical role in delivering on our vision of achieving magnet production in 2024," said Tom Schneberger, CEO of USA Rare Earth. "ASM provides us with predictable access to a non-Chinese supply of rare earth metals, which allows us to ramp-up our initial production and accelerate our goal of generating revenue, while we continue to construct our own mine."

Mr. Schneberger continued, "We are very impressed with the metal making capability that ASM established in Korea and look forward to a long-term partnership as we diversify the rare earth magnet supply chain."

On announcing the framework agreement, ASM Managing Director Ms. Rowena Smith, said, "USA Rare Earth's magnet manufacturing capability and approach to market makes them a perfect customer and partner for ASM. As we continue to increase our metal production output from our Korean Metals Plant, this long-term supply agreement demonstrates the growing demand and positive trajectory of the US rare earth magnet market."

Both companies are focused on scaling up their respective operations with no reliance on China. This supply agreement will secure the majority of USARE's metal and alloy requirements for magnet production until it begins using materials from its Round Top reserve in Sierra Blanca, Texas.

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About USA Rare Earth, LLC: *USA Rare Earth, LLC is a US-based, vertically integrated magnet technology company. USARE is poised to become the leading domestic supplier of rare earth magnets and heavy rare earth elements required for the electric vehicle, green energy, consumer electronics, and defense industries, as well as tech metals needed for chipsets, semiconductors, and 5G.*

USA Rare Earth, LLC owns a magnet production facility in Stillwater, Oklahoma and the Round Top Heavy Rare Earth and Critical Minerals deposit in Hudspeth County, West Texas. For more information about USA Rare Earth, visit usare.com.

About Australian Strategic Materials Ltd.: *Australian Strategic Materials (ASX: ASM) is a vertically integrated 'mine to metals' producer of critical metals for new growth industries, high technologies and sustainable energy solutions. ASM operates a metals plant in in Ochang, South Korea which is currently producing critical metals and alloys to customer specifications. The initial production focus is on neodymium praseodymium (NdPr) and neodymium iron boron (NdFeB). Currently, ASM sources the rare earth oxides for the production of the critical metals at its Korean Metals Plant (KMP) from a third party located in Vietnam. The company's Dubbo Project, is a long-term resource of rare earth elements, zirconium, niobium and hafnium, located in New South Wales, Australia. ASM intends to develop the Dubbo Project to produce metal oxides which will be used for refining into critical metals at ASM's KMP and subsequent plants that may be established in other jurisdictions.*

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