USA Rare Earth Announces Joint Development Agreement with ePropelled for Supply of Neo Magnets for Drone Technology

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Oklahoma Manufacturing Plant Will Produce Lightweight, Powerful Magnets Needed for Production of Uncrewed Air, Land and Sea Vehicles

Rare Earth Magnet ePropelled Motor



ePropelled Motor with Rare Earth Magnets

STILLWATER, Okla., Aug. 05, 2025 (GLOBE NEWSWIRE) -- USA Rare Earth, Inc. (Nasdaq: USAR) (USAR or the Company), today announced that it has signed a joint development agreement (JDA) with ePropelled, Inc. to develop a strategic supply and purchase relationship of the Company's sintered neo magnets for use in ePropelled's state-of-the-art motors, which are used in a multitude of uncrewed air, land, and sea vehicles (commonly referred to as drones).

USAR will immediately begin prototyping neo magnets for use in ePropelled's high-performance motors, controllers, generators, and power management systems. ePropelled's systems are used in uncrewed vehicles (UAV) for air, land, and sea – from large-payload aerial drones and long-range defense applications, as well as for small surveillance and commercial drone designs.

"This agreement is another milestone in our efforts to fill our 2026 pipeline and work through the development and qualification process with customers across industries as we complete the commissioning of our Stillwater manufacturing facility," said Joshua Ballard, CEO of USA Rare Earth. "We are very pleased to partner with such an innovative company as ePropelled, a global leader in magnetics engineering and a proven pioneer in the design and production of electric propulsion solutions. We look forward to working with the ePropelled team to develop a true partnership in providing Made-in-the-USA designated high-quality, high-performance magnets for use in their pioneering and innovative solutions."

"We're thrilled to partner with USA Rare Earth to secure the rare earth materials essential to our uncrewed vehicle solutions," said Nick Grewal, ePropelled's Founder, Chairman and CEO. "Expanding our supply chain — both in the U.S. and globally — is key to meeting the high expectations of our customers and staying ahead in this fast-moving industry."

Operating worldwide, ePropelled serves a broad customer base that spans aerospace, defense, industrial automation, and maritime industries. The company's technologies are used in mission-critical applications including long-endurance surveillance drones, robotic ground vehicles, and autonomous marine vessels. Its compliance with international defense standards (e.g. NDAA) and focus on domestically manufactured components make it especially attractive to governments and OEMs seeking secure, export-ready solutions.

For more information, please visit USARE.com and connect with us on LinkedIn and X.

About USA Rare Earth

USA Rare Earth is building a vertically integrated, domestic rare earth magnet production supply chain. USAR is currently constructing a 310k square foot rare earth sintered neo magnet manufacturing facility in Stillwater, Oklahoma. USAR also controls mining rights to the Round Top Mountain rare earth and critical minerals deposit in West Texas, which holds significant deposits of heavy rare earths, such as dysprosium and terbium, as well as gallium, beryllium, lithium and other critical tech minerals. USAR's permanent neo magnets and rare earth minerals are required for a wide variety of products used in the defense, automotive, aviation, industrial, medical, and consumer electronics industries.

About ePropelled

Based in Laconia, New Hampshire, USA, ePropelled, Inc. is a leading global technology provider specializing in smart propulsion and energy management systems for uncrewed vehicles for air, land and sea. Founded in 2018, ePropelled holds 49 patents and serves customers worldwide from its New Hampshire headquarters and manufacturing center, supported by R&D and operations facilities in the UK and India. ePropelled products are engineered to optimize performance, reduce energy consumption, and support the speedy transition to a sustainable future. For more information, contact ePropelled at info@epropelled.com, call 603-236-7444, or visit ePropelled.com.

Investor Relations Contact:

Lionel McBee
VP, Investor Relations
IR@usare.com

Media Relations Contact:

Cricket PR
Brian Hyland
brian@cricketpr.com

ePropelled Media Contact:

Cookson Communications
Kristen Lestock
kristen@cooskoncom.com

A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/a0ed2c46-b1bf-46df-bc3e-728c42f85d63