



USA Rare Earth and Arnold Magnetic Technologies Partner to Expand U.S.-Made Rare Earth Magnet Supply for Critical Industries

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STILLWATER, Okla., March 23, 2026 (GLOBE NEWSWIRE) -- USA Rare Earth, Inc. (Nasdaq: USAR) ("USAR" or the "Company") today announced a mutual sales and distribution agreement with Arnold Magnetic Technologies Corp. ("Arnold"), a subsidiary of Compass Diversified (NYSE: CODI), and a leading global manufacturer of high-performance magnets and precision components. The agreement strengthens the domestic supply chain for mission-critical applications by expanding availability of U.S.-manufactured rare earth magnets.

Under the non-exclusive partnership, each company is authorized to sell and distribute the other's products. USA Rare Earth will offer Arnold's finished permanent magnets produced from samarium-cobalt (SmCo) and neodymium-iron-boron (NdFeB), and Arnold will offer USA Rare Earth's processed and refined NdFeB feedstock and finished magnets. Each company will remain responsible for product quality, warranties, and any product-related liabilities for the goods it manufactures.

The agreement strengthens a U.S.-aligned supply chain for the aerospace, defense, semiconductor, and advanced technology industries by connecting processed materials with domestic capabilities to generate finished, compliance-ready magnet solutions. Bringing together USA Rare Earth's domestic NdFeB production and Arnold's finished magnet and engineering capabilities will enable customers to access a broader portfolio of high-performance magnet solutions.

Rare earth permanent magnets, including NdFeB and SmCo, are essential components of semiconductors and the technology needed to manufacture them, radar systems, missile and fighter jet guidance systems, and lightweight precision aerospace components, among other applications. However, supply chains for these materials remain highly concentrated outside the United States. The USAR-Arnold collaboration supports the development of a more resilient, domestic supply chain aligned with U.S. policy priorities to reduce reliance on foreign sources of rare earths and strengthen national security.

"This agreement strengthens our ability to deliver American-made magnet solutions at both scale and precision," said Barbara Humpton, Chief Executive Officer of USA Rare Earth. "We are producing magnets in Oklahoma and rapidly expanding that capability as part of our integrated global value chain. Our work with Arnold strengthens our capabilities by allowing us to meet high-volume demand, while also supporting customers that require tailored, mission-specific solutions."

"Arnold is pleased to collaborate with USA Rare Earth to expand access to domestically produced magnet solutions," said Matt Blake, CEO of Arnold Magnetic Technologies. "Combining USA Rare Earth's magnet manufacturing platform with Arnold's precision manufacturing expertise positions both companies well to serve critical markets that demand performance, reliability, and compliance."

The agreement further supports USA Rare Earth's integrated mine-to-magnet strategy, which includes one of the United States' richest known deposits of heavy rare earth elements (HREEs) at Round Top, rare earth processing and separation, metal-making through its Less Common Metals subsidiary, and magnet manufacturing in the United States.

About USA Rare Earth

USA Rare Earth, Inc. (Nasdaq: USAR) is building a fully integrated rare earth and permanent magnet supply chain across the United States, United Kingdom, and Europe. Through its ownership of Less Common Metals Ltd. (LCM) and development of magnet manufacturing capacity in Stillwater, Oklahoma, USAR operates across the value chain—from heavy rare earth processing to metal-making, alloy production, and neodymium magnet manufacturing. By combining domestic feedstock from the Round Top deposit with advanced processing technologies, recycling capabilities, and an expanding European footprint, USAR is establishing a secure, sustainable, Western-aligned supply of materials essential to defense, electrification, robotics, energy, and advanced manufacturing.

For more information on USAR, visit <https://www.usare.com>.

About Arnold Magnetic Technologies

Based in Rochester, NY, with an operating history of over 130 years, Arnold is a leading global manufacturer of engineered solutions for a wide range of specialty applications and end-markets, including aerospace and defense, general industrial, motorsport, oil and gas, medical, and energy. From its Technology Center and manufacturing facilities located in the United States, the United Kingdom, Switzerland, Thailand, and China, the company produces engineered magnetic assemblies in addition to high-performance permanent magnets, precision foil products, and highly loaded composites that are mission critical in motors, generators, sensors, and other systems and components. Based on its long-term relationships, the company has built a diverse

and blue-chip customer base totaling more than 2,000 clients worldwide.

For more information on Arnold, visit <https://www.arnoldmagnetics.com>.

Forward-Looking Statements

Certain matters discussed in this press release are or contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. These statements, which involve risks and uncertainties include statements relating to the expected U.S. Government investment and its expected benefits, including the anticipated terms of the expected U.S. Government investment and anticipated timing of closing and funding; the PIPE and its expected benefits; the preliminary financial results discussed above; the Company's investment plans, including the development of the Round Top deposit, development and expansion of processing and separation facilities, development and expansion of metal-making and strip-casting facilities, and development and expansion of the magnet manufacturing facility, including the timing, cost, production capacities, and estimated outputs of each facility; the benefits of the transaction between USAR and LCM, including without limitation expectations for future development, operations, business strategies, financial performance, sales and customers; and the projected operating results and performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. Words such as "anticipate", "believe", "can", "continue", "could", "estimate", "expect", "forecast", "intend", "may", "might", "plan", "possible", "potential", "predict", "project", "seek", "should", "strive", "target", "will", "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from our expectations. These risks and uncertainties include, but are not limited to: (1) the risk that the investment from the U.S. Government is not completed on the expected terms, or at all; (2) the risk that USAR will not be able to execute its business plan to successfully use the proceeds of the expected U.S. Government transaction and the PIPE; (3) risks related to the timing and achievement of the expected business milestones of expected U.S. Government investment, including with respect to the development of the Round Top deposit, development and expansion of processing and separation facilities, development and expansion of metal-making and strip-casting facilities, and development and expansion of the magnet manufacturing facility; (4) the risk that the expected U.S. Government investment, which will be funded in phases over time subject to the Company achieving milestones, ultimately results in less proceeds to the Company than anticipated; (5) significant dilution associated with the expected U.S. Government investment and PIPE transaction; (6) the risk that the Company will not be able to execute its business plan to successfully use the proceeds of the expected U.S. Government investment and the PIPE; (7) the availability of appropriations from the legislative branch of the U.S. Government and the ability of the executive branch of the U.S. Government to obtain funding and support contemplated by the expected U.S. Government investment; (8) the determination by the legislative, judicial or executive branches of the U.S. Government that any aspect of the expected U.S. Government investment was unauthorized, void or voidable; (9) the Company's ability to obtain additional or replacement financing, as needed; (10) the Company's ability to effectively assess, determine and monitor the financial, tax and accounting treatment of expected U.S. Government investment, together with the Company's and the U.S. Government's obligations thereunder; (11) the Company's ability to effectively comply with the broader legal and regulatory requirements and heightened scrutiny associated with government partnerships and contracts; (12) the significant long-term and inherently risky investments the Company is making in mining and manufacturing facilities may not realize a favorable return; (13) the diversion of management time from ongoing business operations and opportunities as a result of the expected U.S. Government investment; (14) the risk that acquired businesses will not be integrated successfully or that the integration will be more costly or difficult than expected; (15) the risk that the synergies from any of the transactions that USAR has completed or is pursuing may not be fully realized or may take longer to realize than expected; (16) the risk that any announcement relating to a transaction could have an adverse effect on the market price of USAR's common stock; (17) the risk of litigation related to the expected U.S. Government investment, the PIPE and/or the development of the Company's projects; (18) the diversion of management time from ongoing business operations and opportunities as a result of a transaction; (19) the risk of adverse reactions or changes to business or employee relationships; (20) the ability to build or maintain relationships with customers and suppliers; (21) the Company's ability to successfully develop its magnet production facility and the timing of expected production milestones; (22) competition in the magnet manufacturing industry; (23) the ability to grow and manage growth profitably; (24) the Company's ability to build or maintain relationships with customers and suppliers; (25) the ability to attract and retain management and key employees; (26) the overall supply and demand for rare earth minerals; (27) the timing of commissioning, commercialization and expansion of the Company's manufacturing facilities, and the timing and amount of future production from each component of the Company's value chain; (28) the costs of production, capital expenditures and requirements for additional capital, including the need to raise additional capital to implement the Company's strategic plan and access the potential U.S. Government investment; (29) substantial doubt regarding the Company's ability to continue as a going concern for the twelve months following the issuance of its third quarter 2025 Condensed Consolidated Financial Statements; (30) the timing of future cash flow provided by operating activities, if any; (31) the risk that the Round Top Deposit might not be able to be commercially mined and the Company's ongoing exploration programs may not result in the development of profitable commercial mining operations; (32) the uncertainty in any mineral estimates, uncertainty in any geological, metallurgical, and geotechnical studies and opinions; (33) the Company's ability to successfully commence swarf processing; and (34) transportation risks. Detailed information regarding factors that may cause actual results to differ materially has been and will be included in the Company's filings with the SEC, including the Company's Form 10-K that the Company filed with the SEC on March 31, 2025, the Company's latest Quarterly Reports on Form 10-Q filed with the SEC, and the Current Report on Form 8-K that the Company filed with the SEC on January 26, 2026. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors. Any forward-looking statements speak only as of their date, and the Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances occurring after their date or to reflect the occurrence of unanticipated events.

USAR Investor Contact:

J.B. Lowe, CFA

VP, Head of Investor Relations

IR@usare.com

USAR Media Relations Contact:

Teneo

USARareEarth@teneo.com