



FOR IMMEDIATE RELEASE

August 13, 2010

USMMA Expansion Provides Comprehensive Alternative to Chinese Rare Earth Dominance

Collaboration Offers Complete, Competitive Mine-to-Magnets Capability

Washington, DC – The [United States Magnet Materials Association](#) (“USMMA”) today announced the addition of [Arnold Magnetic Technologies](#), [Great Western Technologies Inc.](#), and [Lynas Corporation, Ltd.](#) (ASX: LYC) as members of the comprehensive rare earth industry collaboration. The move increases the association’s core membership to seven, innovative companies.

Arnold specializes in the production of a wide range of high-performance soft and permanent specialty magnets. Great Western Technologies is a leading producer in North America for rare earth materials, powders, and custom vacuum-grade specialty alloys. Lynas Corporation has developed a mine at its rich deposit of rare earths at Mt. Weld in Western Australia.

“With Arnold’s, Great Western’s, and Lynas’ addition to this collaboration, USMMA is now vertically integrated to provide complete mine-to-magnets solutions to rare earth material needs,” said USMMA President Ed Richardson, Vice President of USMMA founding partner Thomas & Skinner. “Together, we are set to foster the development of a new rare earth materials supply chain independent from current Chinese dominance.”

With its expanded membership roll, USMMA is now able to provide:

1. retrievable and highly usable rare earth elements from reliable domestic and ally-nation property holdings,
2. domestic metal manufacturing operations able to turn rare earth element material into usable metal products and alloys for domestic magnet production and other manufacturing purposes, and
3. high performance magnet products that are critical to a wide variety of commercial products, hybrid vehicles, wind turbines, other renewable energy applications, and national security systems.

Before USMMA's establishment, the United States had few options except virtually total reliance upon a Chinese-dominated supply chain of rare earth materials, elements essential to numerous renewable energy and defense systems including wind turbines, hybrid-electric batteries, computer hard drives and precision-guided munitions. China currently provides over 97% of the world's rare earth raw materials and dominates the world's rare earth refining, alloying and manufacturing.

In an April 2010 report to Congress pushed by USMMA, the Government Accountability Office ("GAO") warned of an impending rare earths crisis, especially as it relates to homeland security and the national defense.

In its report, GAO confirmed:

- That while rare earth deposits are geographically diverse, the United States relies on Chinese sources for finished rare earth materials;
- That while the United States once dominated all stages of the rare earth supply chain, most current processing is performed in China, giving it dominance in worldwide supply and pricing;
- The rebuilding of a competitive domestic supply chain could take up to 15 years and will require significant capital investment and new technology development;
- The Department of Defense is currently evaluating the dependence of multiple defense systems and components on rare earth materials provided by lower tier foreign suppliers;
- These defense systems and components will continue to rely on these foreign sources based on their life cycles and lack of effective substitutes; and
- In anticipation of these identified supply risks, some defense contractors and government agencies have begun taking initial steps to limit this dependence on unreliable foreign suppliers or to expand the existing supplier base.

USMMA also supports legislation introduced in both the House ([H.R. 4866](#)) and Senate ([S. 3521](#)) that would reestablish competitive domestic rare earths mineral production, processing, refining, purification, and metals production industries to support the growth of green job technology and manufacturing as well as the nation's defense industry.

The Rare Earth Supply-Chain Technology and Resource Transformation ([RESTART](#)) Act of 2010, would create a “whole-of-government” approach involving the U.S. Departments of Commerce, Energy, State, and Defense, Office of the U.S. Trade Representative, and Office of Science and Technology Policy within the Executive Office of the President. The bill builds upon several elements of USMMA’s platform for resolving the Rare Earth Elements (REE) supply crisis.

USMMA was founded in 2006 by magnet manufacturers Thomas & Skinner, Inc. of Indianapolis, Indiana; Hoosier Magnetics of Ogdensburg, New York; and Electron Energy Corporation of Landisville, Pennsylvania, to advocate on behalf of the specialty metals clause found at 10 U.S.C. 2533b. U.S. Rare Earths, Inc. joined in 2009 to expand the group’s focus to support the reintroduction of a competitive rare earth supply chain in the United States.

More information on the USMMA can be found at <http://www.usmagnetmaterials.com>.



Thomas & Skinner, Inc.
High Performance Magnetic Materials

[Thomas & Skinner, Inc.](#) is the world’s leading manufacturer of cast and sintered alnico magnets, magnetic assemblies, and transformer laminations.

Through its wholly-owned subsidiary Ceramic Magnetics, Inc., Thomas & Skinner is also a leading manufacturer of soft ferrite magnets.



[Hoosier Magnetics, Inc.](#) specializes in the manufacturing of hard ferrite powders used in a wide variety of permanent magnet applications. Founded in 1975 in Washington, Indiana; Hoosier is a privately held company owned by Dr. B. Thomas Shirk.



Specialists in Rare Earth Magnets and Magnet Systems

[Electron Energy Corporation](#) is a worldwide leader in samarium cobalt magnet production and offers design services and rare earth magnet assemblies. Electron

Energy is the only US operated rare earth magnet company that still melts its magnet alloys in-house.

U.S. Rare Earths, Inc.

[U.S. Rare Earths, Inc.](#), an American natural resources development company based in Salt Lake City and New York City, holds large resources and reserves of high-grade rare earth metals and the largest documented high-grade thorium properties in the world within its properties in Idaho, Montana, and Colorado, including a large portion of known and estimated U.S. reserves.



The [Arnold Magnetic Technologies Corporation](#), a privately owned corporation comprised of five strategic businesses, manufactures a wide range of both permanent and soft magnetic products and assemblies at facilities in the United States, the United Kingdom, Switzerland and China.



Great Western Technologies Inc. is a leading production facility in North America for rare earth materials, powders, and custom vacuum-grade specialty alloys. GWTI provides research and development, process development, consulting, and innovative products and services to clients worldwide. GWTI, in partnership with its parent company, Great Western Minerals Group Ltd., is part of the first vertically integrated structure in North America to produce and process rare earth elements for advanced technology and alternative energy markets.



Lynas Corporation is creating a reliable, fully integrated source of supply from mine through to customers, and aims to become the benchmark for security of supply and environmental standards in the global Rare Earths industry. Lynas has developed a mine at its rich deposit of Rare Earths at Mt Weld in Western Australia, and will produce separated rare earth products from its Advanced Materials Plant which shall commence production in Q3 2011

###

FOR MORE INFORMATION, CONTACT:

Jeff Green

J.A. Green & Company

202-546-0388

jeff@jagreenandco.com