Palladyne AI Subsidiary Selected by U.S. Navy to Develop Low Cost Near Hypersonic Missile

Mar 18, 2026

SALT LAKE CITY--(BUSINESS WIRE)--Mar. 18, 2026-- Palladyne AI Corp. (Nasdaq: PDYN and PDYNW) subsidiary, GuideTech ("Palladyne AI") has been awarded a contract by the U.S. Navy to develop an air-launched, near hypersonic long-range, low cost missile ("Air-Launched Rapid Response Missile" or "ALRRM").

The ALRRM is expected to deliver nearly hypersonic speed and long range at a fraction of the cost of other air-breathing hypersonic weapons, meeting the Department of War's recent call for affordability without compromising capability. The ALRRM is designed to exceed 350 nautical mile flight distance at high altitude, with a sustained cruise speed of beyond the required Mach 4.0, and designed to deliver a 150 lb warhead using an air-breathing solid fuel ramjet ("SFRJ"). It is also designed to meet the designated size and weight requirements.

"The 2025 National Security Strategy explicitly states that the U.S. must build 'next-generation missiles with a clear and urgent need for cost-effective, high-performance strike capabilities' for the U.S. military," said Ben Wolff, President and CEO, Palladyne AI. "As identified by the U.S. Navy and evidenced by our recently awarded contract, the ALRRM system is designed to address this need — delivering near hypersonic speed and range at a fraction of the cost. We believe there is no other missile currently available to the U.S. military that combines the speed, range, and payload capacity of the ALRRM, at this size and price point — creating a new strike class for 5th gen fighters that is stealth-borne, near-hypersonic, and deep-theater strike."

For more information about GuideTech, Palladyne Defense, and Palladyne AI, please visit www.palladyneai.com.

About Palladyne AI Corp.

Palladyne AI is a U.S.-based technology company developing patented embodied artificial intelligence, collaborative autonomy solutions, advanced avionics, autonomous systems, advanced UAV engineering services, and precision-manufactured components for defense and industrial markets. Palladyne AI delivers secure, American-developed and operated platforms designed to meet the stringent requirements of U.S. government and public-sector customers, including data sovereignty, security, and compliance.

Palladyne AI's embodied AI is designed to operate in complex, contested, and high-risk environments, enabling distributed tasking, human-on-the-loop decision-making, degraded-communications resilience, and multi-domain coordination. Its platform-agnostic autonomy stack combines real-time sensor fusion, adaptive AI models, and edge-native orchestration to support autonomous and collaborative systems across air, ground, maritime, and industrial domains where performance, resilience, and trust are paramount. For more information about Palladyne AI, including GuideTech and Palladyne Defense, please visit www.palladyneai.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the performance, cost and other features of the ALRRM, the capabilities or future capabilities of the Company's AI/ML foundational technology and related software products; the benefits of the software and the industries that could benefit from it; and the applicability of the software to different kinds of machines (such as UAVs, UGVs and ROVs). Forward-looking statements are inherently subject to risks, uncertainties, and assumptions. Generally, statements that are not historical facts, including statements concerning possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. These statements may be preceded by, followed by, or include the words "believes," "estimates," "expects," "projects," "forecasts," "may," "will," "should," "seeks," "plans," "scheduled," "anticipates," "intends" or "continue" or similar expressions. Such forward-looking statements involve risks and uncertainties that may cause actual events, results, or performance to differ materially from those indicated by such statements. These forward-looking statements are based on Palladyne AI's management's current expectations and beliefs, as well as a number of assumptions concerning future events. However, there can be no assurance that the events, results, or trends identified in these forward-looking statements will occur or be achieved. Forward-looking statements speak only as of the date they are made, and Palladyne AI is not under any obligation and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

Readers should carefully review the statements set forth in the reports which Palladyne AI has filed or will file from time to time with the Securities and Exchange Commission (the "SEC"), in particular the risks and uncertainties set forth in the sections of those reports entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements," for a description of risks facing Palladyne AI and that could cause actual events, results or performance to differ from those indicated in the forward-looking statements contained herein. The documents filed by Palladyne AI with the SEC may be obtained free of charge at the SEC's website at www.sec.gov.

View source version on businesswire.com: https://www.businesswire.com/news/home/20260318159633/en/

Palladyne AI Corp. PR and Investor Contacts:

Palladyne AI Investor Contact:
Brian S. Siegel, IRC®, M.B.A.
Senior Managing Director
Hayden IR - Chicago
(346) 396-8696 (o)
brian@haydenir.com

IR@palladyneai.com

Palladyne AI Press Contact:
Heath Meyer
(858) 768-1527
PR@palladyneai.com

Source: Palladyne AI Corp.