

Constantine Karayannopoulos on the MP Materials Effect on the Rare Earths Market

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October 3, 2025 – The rare earths market is sizzling – valuations have doubled or tripled since early summer – and Constantine Karayannopoulos, veteran strategist and former CEO of [Neo Performance Materials Inc.](#) (TSX: NEO | OTCQX: NOPMF), says the spark came from Washington. “It all started with the deal that **MP Materials Corp.** (NYSE: MP) did with the DoD or DoW, where there was a massive amount of money that the U.S. government committed to MP,” he explained. “The whole thing has been presented as a sort of bottom price guarantee. With expectations in the market that this will be available to everybody, every name in the rare earth industry has doubled or tripled in value.” That frenzy has brought a wave of equity raises, making life “a lot easier” for listed companies, though he cautioned that “execution being what it is, some companies will do better than others.”

While rare earths dominate the headlines, Karayannopoulos is closely tracking lithium. “Lithium prices over the long term tend to be very well correlated with rare earth prices. They have similar demand drivers: EVs and electrification,” he said. With prices having bottomed and recovered, he sees a decade of opportunity left for lithium, even if alternatives for batteries may emerge. Still, he believes the longer runway belongs to rare earths.

Turning to policy, he was blunt about Canada’s role. “I think Canada should get its industrial strategy together first instead of jumping into the deep end and trying to pick winners and

losers without the context of an industrial strategy informing its choices in the critical mineral space,” he said. He pressed for a clear-eyed SWOT analysis: “For the past three or four years, all we’ve done is talk about it. It’s way overdue to really do something meaningful.”

For Karayannopoulos, industrial strategy is not a slogan but a framework for growth. He invoked history: “All advanced industrial economies since the Second World War were built with automotive as a significant part of their economic development.” Today, as the automotive sector transitions from combustion to electric, Canada needs to be strategic. “We’ve committed as a country about \$55 billion over the next 15 years to the EV industry and batteries. That’s enormous. But I haven’t noticed any commitment from those companies to use critical minerals from local supply chains. That’s a massive oversight that needs to be corrected very quickly.”

Pressed on who is doing it right, he pointed to Brazil. “As recently as March, when I was in Rio speaking at the Brazilian Development Bank’s conference, they announced a fund of about a billion dollars – half private, half public. They called for proposals across the supply chain and are investing in developers and juniors.” Beyond capital, Brazil is building laboratories, university partnerships, and downstream capacity. “It’s a great start. We’ll see how it unfolds, but I think Brazil is getting it right.”

Karayannopoulos spoke with pride about another milestone: the [opening](#) of [Neo Performance Materials Inc.’s](#) (TSX: NEO | OTCQX: NOPMF) new plant in Estonia. “The facility is state-of-the-art, highly automated, constructed in less than 500 days. The first shipment of commercial trial magnets was delivered in 18 months from start of earthworks,” he said. He credited his successors – CEO Rahim Suleman and Magnaquench EVP Greg Croll – for executing

the project. “They delivered a fantastic facility. At the opening, there were demanding customers from Germany buying magnets for EV drivetrains in Europe. It’s the biggest magnet facility of its kind in Europe, designed to supply EV magnets made in Europe. I’m glad I had something to do with it.”

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