

ASM marks milestone with first heavy rare earth metals sale and strengthened Neo Performance Materials partnership

written by Raj Shah | July 15, 2025

- First sale of Tb and Dy heavy rare earth metals showcases ASM's advancing capability
- Additional 10 tonnes of NdPr metal sold, reinforcing growing market demand
- MOU signed to explore broader collaboration across supply, tolling and innovation

July 15, 2025 ([Source](#)) – Australian Strategic Materials Limited (ASM or the Company) (ASX:ASM) is pleased to announce the first sale of heavy rare earth metals, consisting of 2 kilograms of terbium (Tb) metal and 2 kilograms of dysprosium (Dy) metal, to Magnequench, a subsidiary of Neo Performance Materials Inc. (Neo), a leading global supplier of advanced materials. These heavy rare earth metals were produced at ASM's Korean Metals Plant, marking a significant milestone in the Company's ongoing development of its heavy rare earth capabilities, and shipped to Neo's permanent magnet manufacturing facility in Estonia.

In addition to this inaugural heavy rare earth metals sale, ASM has also completed the sale of 10 tonnes of neodymium-praseodymium (NdPr) metal to Neo for use in their permanent magnet manufacturing facilities. This follows the successful

delivery of 19 tonnes of NdPr metal previously supplied, further demonstrating the growing strength of the relationship between ASM and Neo. These sales were both concluded by reference to prevailing market prices.

These developments underscore ASM's growing capability in producing high-purity heavy rare earth metals, driven by the Company's in-house technical expertise. This momentum not only showcases ASM's ability to deliver critical materials essential for advanced manufacturing and clean energy applications, but also reinforces its strategic role in building a resilient and dependable supply chain.

In parallel, ASM has signed a Memorandum of Understanding (MOU) with Neo to formalise a broader strategic partnership. The collaboration set out in the MOU aims to leverage the strengths and expertise of both ASM and Neo to ensure a reliable and secure supply of rare earth materials, enhance technological innovation, and contribute to the economic and strategic interests of both parties.

"Neo is an established leader in the production of rare earth magnetic powders and magnets, specialty chemicals, metals, and alloys. Combined with a global footprint that includes Canada, Estonia, Germany, Singapore, Thailand, and the US, Neo has a geographical reach and capability suite that is highly complementary to ASM and aligns with our vision of establishing secure, diversified and sustainable critical materials supply chains. The recent sales of terbium, dysprosium, and an additional 10 tonnes of NdPr metal further demonstrate the strength of our partnership and the growing demand for ASM's high-purity rare earth products – enabled by our in-house metallisation expertise," said Rowena Smith, Managing Director and CEO of ASM.

Under the MOU ASM and Neo will explore a range of opportunities to co-operate, including:

Sales	<ul style="list-style-type: none">– Sales of light and heavy rare earth metals from ASM’s Korean Metals Plant to Neo’s magnet and magnetic powder manufacturing facilities.– Sales of gallium from Neo’s Rare Metals division to ASM in support of magnet alloy production.
Tolling	<ul style="list-style-type: none">– Tolling of Neo-supplied NdPr, Dy, and Tb products at ASM’s Korean Metals Plant.

Except for specific clauses, the MOU is non-binding and serves as a framework for further discussions and potential definitive agreements. The MOU is effective from 15 July 2025 for a period of 12 months, unless terminated earlier by either party with 30 days’ written notice. This collaboration, alongside growing sales, support the continued ramp-up of the Korean Metals Plant and underpin ASM’s intent to expand into the United States with the development of a second metals plant.

“The geopolitical narrative surrounding rare earths and critical minerals continues to intensify, underscored by initiatives such as the recent U.S. Department of Defense public-private partnership with MP Materials. This landmark partnership highlights the growing recognition of the need for secure, Western supply chains in critical materials. The industry is undergoing rapid transformation, driven by strategic partnerships and surging demand across key sectors.

“Our collaborative partnership with Neo is designed to navigate and capitalise on these global opportunities, building on the momentum of recent developments. ASM’s unique position as a supplier of critical materials – particularly heavy rare earth metals – places it at the forefront of a rare earth magnet supply chain that is not only expanding but evolving to a more resilient and secure future.

“Our collaboration with Neo is built on a strong foundation, and we’re excited to take the next step together through this partnership. Establishing an alternative mine to magnet rare earth supply chain is a significant challenge and strategic partnerships are critical in achieving this objective. ASM is looking forward to working closely with the team at Neo to achieve our shared goals,” said Ms Smith.

“Our partnership with ASM is an important step toward building diversified rare earth supply chains, particularly for critical heavy rare earth elements like terbium and dysprosium. ASM’s ability to produce high-purity rare earth metals using its in-house expertise aligns with Neo’s commitment to sourcing materials from trusted, innovative partners. We look forward to deepening our collaboration as global demand for these essential materials continues to grow,” said Greg Kroll, Executive Vice President of Neo Magnequench.

About Neo Performance Materials Inc.

Neo manufactures the building blocks of many modern technologies that enhance efficiency and sustainability. Neo’s advanced industrial materials – magnetic powders, rare earth magnets, magnetic assemblies, specialty chemicals, metals, and alloys – are critical to the performance of many everyday products and emerging technologies. Neo’s products fast-forward technologies for the net-zero transition. The business of Neo is organised along three segments: Magnequench, Chemicals & Oxides and Rare Metals.

Neo is headquartered in Canada, with corporate offices in the United States, Singapore and China. Neo has a global platform that includes manufacturing facilities in Canada, China, Estonia, Germany, Thailand and the United Kingdom, as well as a dedicated research and development centre in Singapore.

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