

# Neo Wins Another Traction Motor Award with an Additional Tier 1 and OEM Customer in Europe

written by Raj Shah | July 9, 2025

July 9, 2025 ([Source](#)) – Neo Performance Materials Inc. (“**Neo**” or the “**Company**”) (TSX: [NEO](#)) (OTCQX: NOPMF) today announced that it has been awarded the supply contract for a new platform of permanent rare earth magnets with a prominent European Tier 1 supplier of electric vehicle (“**EV**”) traction motors to a major OEM. Both the Tier 1 and OEM represent new additions to Neo’s growing customer base. This new commercial partnership further strengthens Neo’s reputation as a preferred supplier to multiple automotive clients.

These magnets will be supplied by Neo’s new rare earth magnet facility in Narva, Estonia, which is already producing and shipping qualification samples to meet contract obligations of automotive platforms it has been awarded. The project award is estimated to be approximately \$50 million in cumulative revenues over the life of the project at current rare earth market prices, based on customer projections. Commercial delivery of the magnets is anticipated to begin in mid-2026 for this award.

Neo’s new European facility is the first sintered magnet plant to come online outside Asia, with an explicit focus on European and North American Electric Vehicle, Industrial Power Tooling, and Offshore Wind customers. The facility has already been awarded multiple traction motor magnets – widely regarded as the most technically demanding product category for sintered magnets for its high requirements in power and heat management. The

facility has also expanded its product categories to non-traction-motor applications as demand for local supply chains has increased. Co-funded by the European Union's Just Transition Fund, this facility is projected to produce 2,000 t/year in phase 1, with plans to scale to over 5,000 t/year in Phase 2. The official opening ceremony for this plant will be held in September of this year, the details of which will follow in the coming weeks.

**Rahim Suleman, President and CEO said:** *"We welcome yet another commercial recognition from a new customer. What the team has accomplished in this new European rare earth permanent magnet facility is remarkable. The Neo team successfully built this magnet plant in just 500 days and is responding to growing demand from automotive customers with a sense of urgency, while staying grounded in our principles of responsible ramp-up curves for new plants. We are here for our customers, and we are proud that they are recognizing us in return."*

Through its bonded magnetic materials business, Neo has been a designer, manufacturer and supplier of rare earth magnetic products for EV and PHEV traction motors for years – a highlight being the design of the first commercialized and supplied heavy-rare-earth-free magnetic powder in current NEV motors. Neo has been supplying rare earth magnetic products to the automotive and industrial motor industries for over three decades.

### **About Neo Performance Materials**

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 organized along three segments: Magnequench, Chemicals & Oxides and Rare Metals. Neo is headquartered in Toronto, Ontario, Canada; with corporate offices in Greenwood Village, Colorado, United States; Singapore; and Beijing, China. Neo has a global platform that includes manufacturing facilities located in China, Germany, Canada, Estonia, Thailand and the United Kingdom, as well as a dedicated research and development center in Singapore. For more information, please visit [www.neomaterials.com](http://www.neomaterials.com).

### **Cautionary Statements Regarding Forward Looking Statements**

This news release may contain “forward-looking information” within the meaning of applicable Canadian securities legislation. Generally, but not always, forward-looking information and statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative connotation thereof. Specific forward-looking statements in this news release include, but are not limited to, launch of the new project award, operational expectations resulting from the project award, revenue expectations and other matters relating thereto. In making the forward-looking information in this news release, the Company has applied certain factors and assumptions that are based on its current beliefs as well as assumptions made by and information currently available to the Company. Although the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking information in this release are subject to numerous risks, uncertainties and other factors

that may cause future results to differ materially from those expressed or implied in such forward-looking information. There are many risk factors associated with the launch and operations of the new project platform. A number of factors could cause actual results to differ materially from those anticipated by the Company, including but not limited to the risks and uncertainties inherent in the nature of operations including the risks of a material adverse change in the Company's assets or revenues, or risks of unknown liabilities that may arise.

Readers are cautioned not to place undue reliance on forward-looking information. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by law. For more information on Neo, investors should review Neo's continuous disclosure filings that are available under Neo's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

Website: [www.neomaterials.com](http://www.neomaterials.com)

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Information Contacts: Investor Requests: Irina Kuznetsova, Director, Investor Relations, (416) 367-8588 ext. 7334, email: [ir@neomaterials.com](mailto:ir@neomaterials.com); Media Requests: Vasileios Tsianos, Vice President, Corporate Development, (416) 367-8588 ext. 7335, email: [media@neomaterials.com](mailto:media@neomaterials.com)