

Neo Performance Materials Opens State-of-the-Art Permanent Magnet Facility in Europe

NARVA, Estonia, September 22, 2025 – Neo Performance Materials Inc. ("Neo" or the "Company") (TSX: NEO) (OTCQX:NOPMF) is pleased to announce the grand opening of its new, state-of-the-art permanent magnet manufacturing facility in Estonia. The inauguration marks a significant milestone in establishing a resilient, independent European footprint to supply critical rare earth magnets essential to electric vehicles, wind energy, robotics and the broader energy transition.

The grand opening ceremony was attended by more than 270 guests, including senior leadership from the global automotive, renewable energy, and technology sectors, alongside government officials, media, and investors from across Europe, North America, Australia, and Japan. The event showcased the facility's advanced capabilities and its strategic importance in the global shift toward electrification and sustainability.

The grand opening was accompanied by an Investor/Analyst Day, which included a tour of Neo's permanent magnet facility in Narva and the existing rare earth separation facility in Sillamäe. Attendees had the opportunity to view the new Heavy Rare Earth Separation Unit, currently being installed.

Visit <https://neomaterials.com/estonia> for presentations, videos and photos from the grand opening.

Neo's investment in Estonia extends beyond manufacturing to fostering the next generation of scientific and technical talent. In its commitment to local development, Neo has established key cooperation agreements with Estonia's leading educational institutions, including:

- *University of Tartu's Youth Academy*: Sponsoring the training of Estonia's top young students for international Olympiads in mathematics, physics, and chemistry.
- *Tallinn University of Technology (TalTech)*: Collaborating on programs for students specializing in rare earths chemistry and the digitalization of manufacturing.
- *Robotex*: Supporting Estonia's premier robotics competition to inspire innovation among young engineers.

Kristen Michal, Prime Minister of Estonia, said: "In Narva, we are opening not only a factory, but also a new chapter in Europe's industrial future. I want to thank Neo Performance Materials and its partners."

Ursula von der Leyen, President of the European Commission, said: "Operational since May and formally inaugurated yesterday, this magnet manufacturing facility is a milestone truly worth celebrating. The future will be made in Europe. Neo Performance Materials and Narva are proof of this."

Raffaele Fitto, Executive Vice-President of the European Commission, said: "Magnets are crucial for Europe's future. They power electric vehicles, wind turbines, and microelectronics. Now, Neo's first facility in Narva will satisfy up to 15% of the EU's demand for these magnets."

Rahim Suleman, President and CEO of Neo Performance Materials, said: "Today marks a historic

milestone for Neo and a pivotal moment for the global rare earth industry. This facility is built on Neo's three decades of experience in magnetic materials and demonstrates our unwavering commitment to our customers in the electric vehicle and wind energy sectors. We are immensely grateful for the partnership of the Estonian government and the European Commission, whose vision and support have been instrumental in bringing this project to life."

Completed in 500 days, Neo's new state-of-the-art facility is already producing and shipping qualification sample magnets to meet contract obligations for automotive platforms it has been awarded and for numerous upcoming programs. The European facility has already secured contracts for traction motor magnets—widely regarded as the most technically demanding product category—and has expanded its product offerings to non-traction-motor applications as demand for local supply chains has increased.

On September 19th, 2025, Neo announced the extension of its strategic partnership with Robert Bosch GmbH (“**Bosch**”) through a multi-year Memorandum of Understanding. This agreement reserves annual magnet production capacity for Bosch, ensuring a stable supply chain and fostering localized production through competition and innovation. For more information about the partnership, visit <https://www.neomaterials.com/neo-extends-strategic-partnership-for-high-performance-magnets-with-bosch/>

Co-funded by the European Union's Just Transition Fund, the facility is projected to produce 2,000 mt/year of magnets in its first phase (1A), with plans to scale to over 5,000 mt/year in Phase 1B. Through its bonded magnetic materials business, Neo has long been a designer and supplier of rare-earth magnetic products for EV and PHEV traction motors, including pioneering the first commercialized heavy-rare-earth-free magnetic powder used in current EV motors as well as other automotive and industrial applications. Neo has a broad customer base of some of the largest motor manufacturers in the world.

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.

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, production capacity of the new facility, launch of new project awards, operational expectations resulting from such project awards, 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.

Information Contacts

Investor Requests:

Jonathan Baksh
EVP, Chief Financial Officer
(416) 367-8588 ext. 7318
email: ir@neomaterials.com

Media Requests:

Vasileios Tsianos
VP, Corporate Development
(416) 367-8588 ext. 7335
email: media@neomaterials.com

Website: www.neomaterials.com