

## Neo Performance Materials Clarifies Technical Disclosure in August 22, 2022 Press Release

TORONTO (September 13, 2022) – Neo Performance Materials Inc. ("**Neo**", the "**Company**") (TSX: **NEO**) is issuing this press release at the request of the Ontario Securities Commission to clarify the technical information contained in its press release dated August 22, 2022.

Hudson Resources Inc. ("Hudson"), the current holder of the exploration license for the Sarfartoq carbonatite complex in Southwest Greenland (the "Project") completed an Amended Technical Report on the Sarfartoq Project, West Greenland dated January 4, 2011 (the "2011 Technical Report"). Following the 2012 field program, no further work was undertaken on the rare earth targets on the Project.

The historical resource estimate on the Sarfartoq ST1 Zone which was completed in 2011 estimated an inferred mineral resource totalling 14.1Mt averaging 1.51% total rare earth oxide (TREO) at a cut-off grade of 0.8% TREO. The following table is a summary of the historic resource estimate.

Cut-off Grade (%TREO)	Tonnes ('000)	TREO (%)	La <sub>2</sub> O <sub>3</sub> (%)	Ce <sub>2</sub> O <sub>3</sub> (%)	Pr <sub>2</sub> O <sub>3</sub> (%)	Nd <sub>2</sub> O <sub>3</sub> (%)	Sm <sub>2</sub> O <sub>3</sub> (%)	Gd <sub>2</sub> O <sub>3</sub> (%)	Eu <sub>2</sub> O <sub>3</sub> (%)	Dy <sub>2</sub> O <sub>3</sub> (%)	Y <sub>2</sub> O <sub>3</sub> (%)
0.5	15,216	1.445	0.302	0.723	0.085	0.277	0.026	0.020	0.006	0.002	0.005
0.6	14,641	1.481	0.310	0.741	0.087	0.283	0.027	0.020	0.006	0.002	0.005
0.7	14,310	1.500	0.314	0.751	0.088	0.287	0.027	0.021	0.006	0.002	0.005
<b>0.8</b>	<b>14,058</b>	<b>1.514</b>	<b>0.317</b>	<b>0.757</b>	<b>0.088</b>	<b>0.289</b>	<b>0.028</b>	<b>0.021</b>	<b>0.006</b>	<b>0.002</b>	<b>0.005</b>
0.9	13,840	1.524	0.320	0.763	0.089	0.291	0.028	0.021	0.006	0.002	0.005
1.0	13,554	1.536	0.322	0.769	0.090	0.293	0.028	0.021	0.006	0.002	0.005
1.5	7,155	1.746	0.379	0.878	0.100	0.321	0.030	0.023	0.007	0.002	0.006

The Company confirms that all estimates of the quantity, grade and oxide content are historical estimates under National Instrument 43-101, as such estimates have not been verified as a current inferred mineral resource. The Company confirms that it is not treating such historical estimates as a current mineral resource. Historical mineral resources set out in the 2011 Technical Report were estimated by Dr. Michael Druecker Ph.D, CPG and Ronald G Simpson, P. Geo. These historical mineral resources were calculated using the inverse distance squared method constrained by an optimized pit shell. Grade estimation was based on analyses of core samples from 19 diamond drill holes (4,737 metres) completed between September 2009 and September 2010. Assays were composited in two metre down-hole intervals. It was concluded from statistical analysis of the raw sample data that grade capping or special treatment of outliers was not warranted. Wireframe models of the major lithologies were developed to constrain the grade estimate and for assigning density values. The density values

were assigned to the major lithologies based on 470 specific gravity measurements of drill core.

The historical estimates were compiled using the categories set out in section 1.2 of NI 43-101 and following the guidance of the Canadian Institute of Mining, Metallurgy and Petroleum's CIM Definition Standards on Mineral Resources and Mineral Reserves, as adopted by CIM Council August 20, 2000. There are no recent estimates or data available to the Company. Verification of the historical mineral resource estimates would require sampling of mineralization at surface and underground to generate a statistically significant number of samples of the historical resource blocks.

A qualified person has not done sufficient work to classify the historical estimates as current mineral resources and the Company is not treating the historical estimates as current mineral resources. Investors should not rely on the historical estimates as current mineral resources until they have been verified and supported in accordance with the disclosure requirement set out in NI 43-101.

The scientific and technical information in this news release has been reviewed and approved for disclosure by Dr. Michael Druecker, a "Qualified Person" within the meaning of NI 43-101.

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### **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 and magnets, specialty chemicals, metals, and alloys - are critical to the performance of many everyday products and emerging technologies. Neo's products help to deliver the technologies of tomorrow to consumers today. 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, US; Singapore; and Beijing, China. Neo operates globally with sales, research and development, and production across 10 countries, being Japan, China, Thailand, Estonia, Singapore, Germany, United Kingdom, Canada, United States, and South Korea. For more information, please visit [www.neomaterials.com](http://www.neomaterials.com).

### **For Further Information:**

Ali Mahdavi  
SVP, Corporate Development & Capital Markets  
416-962-3300  
Email: [a.mahdavi@neomaterials.com](mailto:a.mahdavi@neomaterials.com)

Jim Sims  
Director, Corporate Communications  
303-503-6203  
Email: [j.sims@neomaterials.com](mailto:j.sims@neomaterials.com)

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

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**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. In making the forward-looking information in this 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. 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.