



(FORMERLY PAN ANDEAN MINERALS LTD.)

**MANAGEMENT DISCUSSION AND
ANALYSIS**

For the Year Ended February 28, 2021

As at June 28, 2021

NEO BATTERY MATERIALS LTD.
MANAGEMENT'S DISCUSSION & ANALYSIS
Year Ended February 28, 2021

INTRODUCTION

The following annual management's discussion and analysis (MD&A) of the Company has been prepared as of June 28, 2021. This MD&A should be read in conjunction with the consolidated financial statements of NEO Battery Materials Ltd. ("NEO" or the "Company") and the notes thereto for the year ended February 28, 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and Management Discussion and Analysis ("MD&A"), is complete and reliable. Additional information on NEO Battery Materials is available by accessing the Company's profile on SEDAR at www.sedar.com and on the Company's website: www.neobatterymaterials.com. Readers of this MD&A are cautioned that information and statements derived from the Company's financial statements do not necessarily reflect the future financial performance of the Company. Statements in this MD&A that are not historical based facts are forward looking statements which are made subject to cautionary language on page 10 and involve known and unknown risks and uncertainties. Actual results could vary considerably from these statements. Readers are again cautioned not to put undue reliance on forward looking statements.

CORPORATE HIGHLIGHTS

Highlights of the Company's activities during the year ended February 28, 2021 and up to the date of this report:

- On March 9, 2020, the Company received a \$100,000 loan bearing interest, payable semi-annually, at a rate of 4% per annum, with outstanding principal due and payable on March 6, 2021. A \$7,000 finder's fee was paid in cash pursuant to the loan financing. On March 25, 2021, the Company repaid a total of \$104,208 for the principal plus the interest accrued on the principal.
- On March 24, 2020, the Company received a \$1,143,511 (1 billion South Korean Won) loan bearing interest, payable semi-annually, at a rate of 4% per annum, with outstanding principal due and payable on March 31, 2021. The Company paid \$80,046 in cash finder's fees pursuant to this loan financing. On May 7, 2021, the Company repaid a total of \$1,254,961 for the principal plus the interest accrued on the principal.
- On July 13, 2020, a former director of the Company filed a small claims action against the Company having failed reimburse the former director for certain expenses and disbursements for an aggregate amount of \$35,176. On March 31, 2021, the claim was settled for a cash payment of \$5,000.
- On January 21, 2021, the Company staked new mining claims in Golden, BC, along a strike with a quartzite bed, targeting silica in the quartzites for a total of 467 hectares.
- On January 27, 2021, the Company received a notice from TSX Venture Exchange that it has been placed on Notice with a 90-day deadline to transfer to NEX for not meeting Tier 2 CLR, as it is considered a material change in affairs of the Company. The common shares of the Company resume trading on January 29, 2021.
- On February 10, 2021, the Company granted 2,930,000 stock options to certain directors, officers, and consultants at an exercise price of \$0.20. The stock options are exercisable on and before February 10, 2026.
- On February 11, 2021, the Company entered into a consulting services agreement with JMK Geological Services ("JMK"), a private firm controlled by one of the Company's directors. JMK will act as exploration manager for the Company to

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oversee an integrated exploration program on the Company's mineral properties in the Golden Mining district of BC.

- On February 26, 2021, the Company entered into a non-binding Letter of Intent ("LOI") agreement with Belmont Resources Inc. ("BEA" or "Belmont") to acquire a 25% interest in the A Block of the Kibby Basin Lithium Project.
- On March 2, 2021, the Company returned \$25,000 of shares subscribed to the subscriber.
- On March 8, 2021, the TSX Venture Exchange has approved the Company's name change from Pan Andean Minerals Ltd to NEO Battery Materials Ltd. The new stock symbol "NBM" replaced "PAD."
- On March 8, 2021, the Company entered into a licensing agreement with University-Industry Foundation of Yonsei University and Research & Business Foundation, SungKyunKwan University. Pursuant to the agreement, the Company will be granted an exclusive world-wide license for three patents owned by these two Universities related to silicon nano coating technology for battery anode materials.
- On March 18, 2021, the Company entered into a Client Service Agreement with Stockhouse Publishing Ltd. ("Stockhouse") whereby Stockhouse agreed to provide the Company with increased market awareness and investor relationship services. The agreement is for one-year term for a fee of \$60,000.
- On May 4, 2021, the Company closed a non-broker private placement offering of 17,141,667 units at a price of \$0.12 per unit for gross proceeds of \$2,057,000. Each unit consists of one common share and one common share purchase warrant exercisable at \$0.16 for a period of 36 months.
- On May 13, 2021, the Company granted 420,000 stock options to certain consultants with an exercise price of \$0.20 per share. These stock options are exercisable on or before May 13, 2026.
- On May 17, 2021, the Company entered into a Collaborative Development Agreement ("the Collaboration") with University-Industry Foundation of Yonsei University. The objective of the Collaboration is to conduct research and forward the development and commercialization of the proprietary ion-conductive polymer nanocoating technology for silicon anode applications.
- On June 1, 2021, the Company granted 100,000 stock options to a consultant with an exercise price of \$0.20 per share. These stock options are exercisable on or before June 1, 2026.
- On June 9, 2021, the Company granted 80,000 stock options to certain consultants with an exercise price of \$0.33 per share. These stock options are exercisable on or before June 9, 2026.
- On June 10, 2021, the Company entered into a Memorandum of Understanding ("MOU") with a South Korean silicon powder manufacturer, Korea Metal Silicon Co. Ltd. to pursue strategic opportunities for the advancement of low-cost, scalable silicon anodes through leveraging the developments in silicon technologies from both parties.

OUTLOOK

NEO Battery Materials Ltd. intends to focus on battery metals exploration in North America. The Company focuses on exploring and producing silicon, which, when added to anode materials in the production of lithium-ion batteries, provides improvements in capacity and efficiency over lithium-ion batteries using graphite in their anode materials. The Company intends to become an integrated silicon producer and anode materials supplier to the electric vehicle industry.

EXPLORATION PROPERTIES INTEREST

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In January 2021, the Company has staked new mining claims in Golden, BC, along a strike with a quartzite bed, targeting silica in the quartzites for a total of 467 hectares. In February, the Company entered a consulting services agreement with a private company owned by one of the Company's director for an exploration program. The program will consist of geological mapping and sampling, geophysical exploration, induced polarization surveys to check on the continuity of the quartzite beds in areas of thicker cover, and excavator trenching across the resistivity lows indicating the quartzite horizon. The quartzite unit will be systematically analyzed for the purity of the silica. The Company anticipates beginning the program in late Spring 2021 with a report on the findings from the program to be concluded by the end of the calendar year, at a total cost of approximately \$80,000. Please refer to Note 6 of the Company's consolidated financial statements for the year ended February 28, 2021 for further disclosure on the Company's properties.

SELECTED ANNUAL INFORMATION

The following financial data is derived from the Company's audited financial statements years ended February 28, 2021, February 29, 2020, and February 28, 2019.

	February 28, 2021	February 29, 2020	February 28, 2019
Expenses	\$ 1,491,635	\$ 1,068,604	\$ 1,071,306
Other expenses/income	165,560	20,768	2,741,628
Net loss and comprehensive loss	1,657,195	1,089,372	3,812,934
Basic and diluted loss per share	0.02	0.02	0.08
Total current assets	662,693	247,021	304,730
Total assets	746,367	389,123	317,328
Total current liabilities	1,568,733	223,368	529,649
Total liabilities	1,580,900	306,461	529,649

RESULTS OF OPERATIONS

For the three-month ended February 28, 2021

The net loss for the three-month period ended February 28, 2021 was \$981,958 as compared to the net loss for the three-month period ended February 29, 2020 of \$262,755. Operating expenses for the three months ended February 28, 2021 totaled \$962,651 compared to \$274,311 for the three months ended February 29, 2020.

Significant items contributing to the net loss and comprehensive loss for the 4th quarter ended February 28, 2021 and February 29, 2020 were as follows:

- Travel costs of \$12,833 (February 29, 2020: \$37,752). Travel costs have been decreased compared to the same quarter of the prior year due to since COVID pandemic.
- Consulting & management fees of \$98,028 (February 29, 2020 - \$171,980). Consulting and management fees have been decreased compared to the same quarter of the prior year due to reduced business activities in the current year.
- Professional fees of \$47,751 (February 29, 2020 - \$34,061). Professional fees have increased compared to the same quarter of the prior year due to increased legal fees associated with the claim filed by a former director of the Company for his expense reimbursement.

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- Operating costs of the office lease of \$16,341 (February 29, 2020 - \$30,370). These operating costs relating to the office lease have decreased compared to the same quarter of the prior year.
- Short-term loan interest of \$19,600 (February 29, 2020 - \$Nil). The Company accrued the interests on the short-term loans obtained during the fiscal 2021 year.
- Stock-based compensation of \$740,000 (February 29, 2020 - \$Nil). The Company granted 2,930,000 stock options to certain directors and consultants in the 4th quarter of the current year.

For the year ended February 28, 2021

The net loss for the year ended February 28, 2021 was \$1,657,195 as compared to the net loss for the year ended February 29, 2020 of \$1,089,372. Operating expenses for the year ended February 28, 2021 totaled \$1,491,635 compared to \$1,068,604 for the year ended February 29, 2020.

Significant items contributing to the net loss and comprehensive loss for the year ended February 28, 2021 and February 29, 2020 were as follows:

- Travel costs of \$24,810 (February 29, 2020: \$231,626). Travel costs have significantly decreased compared to the prior year due to reduced business activities since the COVID pandemic began.
- Consulting & management fees of \$428,892 (February 29, 2020 - \$537,160). Consulting and management fees are comparable to the prior year.
- Operating costs of the office lease of \$57,668 (February 29, 2020 - \$90,188). These operating costs relating to the office lease have decreased compared to the prior year because the landlord reduced the costs in the current year.
- Debt financing fee of \$87,046 (February 29, 2020 - \$Nil). The Company paid finder's fee of \$87,046 in total with regard to the short-term loans of \$1,243,511 obtained in the current year.
- Short-term loan interest of \$46,849 (February 29, 2020 - \$Nil) was accrued on the loans obtained during the current year.
- Stock-based compensation of \$740,000 (February 29, 2020 - \$Nil). The Company granted 2,930,000 stock options to certain directors and consultants in the current year.

LIQUIDITY AND CAPITAL RESOURCES

As at February 28, 2021, the Company's cash balance was \$625,876 (February 29, 2020 - \$201,546).

As at February 28, 2021, the Company had a working capital deficiency of \$906,040 compared to a working capital of \$23,653 as at February 29, 2020. In the opinion of management, should the Company wish to continue as a going concern and continue developing in new mining project in 2021 and beyond, further financing will be required, and the Company will likely have to go to market to achieve this.

Given volatility in equity markets, global uncertainty in economic conditions, cost pressures and intensity in international business environment, management constantly reviews emerging technologies and equity markets such that the Company has enough liquidity to support its growth strategy.

Liquidity Outlook

At present, the Company does not have any sources of generating operating revenues and its financial success is highly dependent on management's ability to develop new business opportunities and raise capital through equity financing.

Many factors influence the Company's ability to raise funds, including the health of the financial market, the Company's track record, and the experience and caliber of its management. Actual funding requirements may vary from those planned due to a few factors, including the sourcing of new project. Management believes it will be able to raise equity capital and/or debt as required in the long term but understands that there will be risks involved which may be beyond its control.

This outlook is based on the Company's current financial position and is subject to change if new business opportunities become available.

Going Concern

The audited consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company continues to incur operating losses, has limited financial resources, has no source of operating cash flow, and no assurances that sufficient funding will be available to develop the new project. These material uncertainties may cast a significant doubt on the validity of this assumption. The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to continue operations. As at February 28, 2021, the Company had an accumulated deficit of \$26,315,235 (February 29, 2020 - \$24,658,040), incurred a net loss for the year ended February 28, 2021 of \$1,657,195 (February 29, 2020 - \$1,089,372) and has working capital deficiency of \$906,040 (February 29, 2020 - \$23,653 working capital).

If the going concern assumption was not appropriate, then financial statement adjustments would be necessary in the carrying values of assets, liabilities, reported income and expenses and the statement of financial position classifications used. Such adjustments could be material.

Strategy and Risk Management

Further business activities are dependent on the Company obtaining financing for any new projects for 2020 and beyond. Management believes that it will be able to raise additional capital in order to fund new business opportunities and its administrative expenditures. Although management has been successful in the past raising additional financing, there can be no assurance they will be successful in the future.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes selected financial data reported by the Company for the last eight quarters in Canadian dollars:

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	28-Feb-21	30-Nov-20	31-Aug-20	31-May-20	29-Feb-20	30-Nov-19	31-Aug-19	31-May-19
	\$	\$	\$	\$	\$	\$	\$	\$
Net loss and Comprehensive loss	981,958	173,848	199,797	301,592	262,755	292,512	251,988	282,117
Basic and diluted loss per share	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Total assets	746,367	1,001,212	1,168,756	1,330,671	389,123	764,964	1,083,587	1,607,692
Exploration and evaluation assets	1,344	1	1	1	1	1	1	1
Revenues	-	-	-	-	-	-	-	-
Equity (deficiency)	(834,533)	(542,575)	(368,727)	(218,930)	82,662	330,538	623,050	(164,438)

Basic and diluted loss per share above is the same, as the effect of potential shares issuances under stock options or warrant agreements would be anti-dilutive.

EXPLORATION STAGE COMPANY RISKS

The Company is engaged in the business of acquiring, exploring and developing mineral properties with the expectation of locating economic deposits of minerals. All of the properties are without proven ore deposits and there is no assurance that the Company's exploration programs will result in proven ore deposits, nor can there be any assurance that economic deposits can be commercially mined. As a consequence, any forward-looking information is subject to known and unknown risks and uncertainties as follows, but not limited thereto:

- Exploration and development of mining properties is highly speculative in nature and involves a high degree of risk.
- Timing delays in exploration and development and delays in funding may result in delays and postponement of projects.
- Many competitors are in the business, some of which have greater financial, technical and other resources than the Company.
- Mining involves many hazards and risks in the field such as unexpected rock formations, seismic activity, cave-ins, adverse weather conditions, unstable political conditions and many other conditions.
- Lack of assurance that: the Company will be able to obtain all necessary permits and approvals to conduct its affairs or that future tax, environmental or other legislation will not cause additional expenses, delays or postponements.
- Operations of the Company are subject to environmental regulation, a breach of which may result in imposition of enforcement actions. Environmental hazards may exist on current properties which are presently unknown to the Company and regulations and laws change over time.
- World prices for metals can be unstable and unpredictable and may materially affect the Company's operations, as well as economic conditions which may change the demand for minerals.
- The securities markets worldwide can experience high price and volume volatility.
- The Company is dependent on the services of several key individuals, the loss of which could significantly affect operations.
- There is potential for officers and directors of the Company to have conflicts of interest with other entities.

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- Uncertainties as to the development and implementation of future technologies.
- Changes in accounting policies and methods may affect how the financial condition of the Company is reported.
- Breaches of contracts, such as property agreements, could result in significant loss.

RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling activities of the Company as a whole. The Company has determined that its key management personnel consist of the Company's Board of Directors and corporate officers, and/or companies controlled by its key management personnel.

As at February 28, 2021 and 2020, there were no amounts due to related parties.

The remuneration of directors and other members of key management personnel during the year ended February 28, 2021 and February 29, 2020 were as follows:

	February 28, 2021	February 29, 2020
Management fees	\$ 313,200	\$ 244,700
Professional fees	54,952	43,000
Stock based compensation	622,560	-
	<u>\$ 990,712</u>	<u>\$ 287,700</u>

All amounts paid to related parties have been recorded at fair value for the services received by the Company.

OUTSTANDING SHARE DATA

NEO Battery Materials' authorized capital is unlimited common shares without par value.

As at the date of this MD&A, the Company had an unlimited number of common shares authorized for issuance, with 87,375,647 issued and outstanding. The Company also had 21,641,667 warrants and 7,105,000 stock options outstanding exercisable into one common share each.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgments and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the audited financial statements for the year ended February 28, 2021.

ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that these are either not applicable or are not expected to have a significant impact on the Company's financial statements.

PRONOUNCEMENTS AFFECTING FINANCIAL STATEMENTS PRESENTATION OR DISCLOSURE

The Company has reviewed the accounting standards or amendments to existing accounting standards that have been issued but have future effective dates and determined that these are either not applicable or are not expected to have a significant impact on the Company's financial statements.

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk, interest rate risk and market price risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents, short-term investments, other receivables, and the short-term debt NEO deposits its cash and cash equivalents with high credit quality major Canadian financial institutions as determined by ratings agencies. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the maximum exposure to credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its current obligations as they come due. The Company attempts to manage liquidity risk by maintaining sufficient cash and cash equivalent balances. Liquidity requirements are managed based on expected cash outflows to ensure that there is sufficient capital in order to meet short-term obligations. As of February 28, 2021, the Company had a working capital deficiency of \$906,040 (February 29, 2020 – working capital of \$23,653). Further information relating to liquidity risk is disclosed in Note 7 of the Company's consolidated financial statements for the year ended February 28, 2021.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash and cash equivalents, short-term investments and reclamation bonds include deposits which are at variable interest rates.

Market Price Risks

The only significant market price risks to which the Company is exposed to is interest rate risk and price volatility on its marketable securities. The Company's bank account earns interest at variable rates. The fair value of its cash and cash equivalents are relatively unaffected by changes in short-term interest rates. The Company's future interest income is exposed to changes in short-term rates.

MANAGEMENT OF CAPITAL

In the management of capital, the Company considers cash, working capital and shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support exploration and development of mineral properties and investigating other business opportunities. The

Board of Directors has not established quantitative capital structure criteria management, but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business.

The Company's objectives when managing capital are:

- To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk and loss of principal.
- Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.
- The Company may issue new equity, incur additional debt, for cash and/or expenditure commitments from optionees, enter into joint venture arrangements, or dispose of certain assets. When applicable, the Company's investment policy is to hold cash in interest bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends.
- The Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.
- There were no changes in the Company's approach to capital management during the year ended February 28, 2021 compared to the years ended February 29, 2020. The Company is not subject to externally imposed capital requirements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures "(DC&P)" and internal control over financial reporting ("ICFR"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's reporting standards.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Pan Andean's general and administrative expenses and mineral property costs is provided in the Company's period ended February 28, 2020, statement of operations contained in its condensed consolidated interim financial statements for the nine months ended February 28, 2020. These statements are available on its SEDAR Page Site accessed through www.sedar.com.

DIVIDENDS

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

NATURE OF THE SECURITIES

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

PROPOSED TRANSACTIONS

At the present time, there are no other proposed transactions that are required to be disclosed.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

APPROVAL

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of the Company has approved the audited consolidated financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

FORWARD LOOKING INFORMATION

Forward-looking statements relate to future events or future performance and reflect management's expectations or beliefs regarding future events and include, but are not limited to, statements with respect to the estimation of mineral reserves and resources, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, success of mining operations, environmental risks, permitting risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not

anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of resources; possible variations in ore reserves, grade or recovery rates; accidents, labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; as well as those factors detailed from time to time in the Company's interim and annual financial statements which are filed and available for review on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

ADDITIONAL INFORMATION

Additional Information relating to NEO Battery Materials can be found on the Company website www.neobatterymaterials.com and on SEDAR at www.sedar.com or by contacting the Company at Suite 520 – 800 West Pender Street, Vancouver, BC Canada, V6C 2V6, Tel: (604) 697-2408.