

NEO Battery Materials Secures Silicon Anode Material Transfer Agreements

Vancouver, British Columbia – October 13, 2021 – NEO Battery Materials Ltd. (TSXV: **NBM**) (OTCQB: **NBMFF**) (“NEO” or the “**Company**”) is pleased to announce that the Company has secured material transfer agreements (“**MTA**”) with working parties for the purpose of upscaled evaluations of NEO’s silicon anode active materials applied towards high-power lithium-ion batteries and efficient electrode manufacturing processes. The MTA constitutes the transfer of materials between the parties and provides stringent clauses for the protection of NEO’s proprietary technology.

Mr. Spencer Huh, President and CEO of NEO, commented, “The material transfer agreements that NEO has secured signifies a runway into large-scale testing of our silicon anode materials that are applicable to various battery materials and cell systems, including high-power and performance batteries and distinct manufacturing processes for electrode fabrication. The MTAs form a baseline agreement for both NEO and its counterparties to develop opportunities for joint development agreements and strategic partnerships.”

In South Korea, NEO’s management and engineers are in the stage of scaling the production capacity of our proprietary silicon anode active materials through required capital purchases and process optimization. These technical advancements are directed towards achieving the semi-commercial level output rate of 120 tons per year and the mass shipment of customized prototypes to the Company’s working partners. Refining the characteristics of the material and manufacturing method has allowed the Company to undergo increased iterations of product testing and modifications to generate these positive internal developments.

NDA Updates

In the past two weeks, the Company has signed three non-disclosure agreements (“**NDAs**”) with an additional European battery cell manufacturer, material developer, and a research institution. All the works are associated with further evaluation and optimization of NEO’s silicon anode active materials and the accelerated commercialization timeline of implementing the Company’s materials into electric vehicles and energy storage solution applications.

About NEO Battery Materials Ltd.

NEO Battery Materials Ltd. is a Vancouver-based company focused on lithium-ion battery materials for electric vehicle and energy storage applications. NEO has a focus on producing silicon anodes materials through its proprietary single-step nanocoating process, which provides improvements in capacity and efficiency over lithium-ion batteries using graphite in their anode materials. The Company intends to become a silicon anode active materials supplier to the electric vehicle industry. For more information, please visit the Company’s website at: <https://www.neobatterymaterials.com/>.

On behalf of the Board of Directors

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This news release includes certain forward-looking statements as well as management's objectives, strategies, beliefs and intentions. Forward looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, the effectiveness and feasibility of technologies which have not yet been tested or proven on a commercial scale, competitive risks and the availability of financing, as described in more detail in our recent securities filings available at www.sedar.com. Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law.

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