



Geomega Announces \$3M Grant from Quebec Government Technoclimat Program

MONTREAL, Jan. 27, 2023 -- Geomega Resources Inc. (“**Geomega**” or the “**Corporation**”) (TSX.V: GMA) (OTC: GOMRF), a developer of clean technologies for the mining, refining, and recycling of rare earths and other critical materials, is pleased to announce that it has been awarded a \$3M grant from the Technoclimat Program, administered by the Ministry of the Environment and the Fight Against Climate Change, Wildlife and Parks (MELCCFP) towards the construction of the magnet recycling demonstration plant. In addition, we are pleased to provide a technical update on both magnet recycling demonstration plant and the bauxite residues pilot plant.

This non-dilutive MELCCFP funding will contribute to the construction of the magnet recycling demonstration plant with a throughput capacity of 1.5 tonnes per day of feed material. The plant will then be used to demonstrate the economic benefits, efficiency and the environmental benefits of the technology. This funding is welcome considering the additional costs arising from the detailed engineering work, equipment cost increases and the various delays in the project to date.

“We are very grateful to the Quebec Government for their support of our project. The Government’s commitment to green energy, electrification and decarbonization is unwavering. Furthermore, the Quebec Government understands that to achieve these goals, investment in innovation is crucial. Developing new technologies that will make the future environmentally sustainable while remaining competitive with legacy technologies is challenging but the continuous support from the Government over the last few years has allowed our team to achieve that. As we continue with procurement of equipment and approach the construction phase, we get a step closer to bringing the rare earths industry to Quebec.” commented Kiril Mugerman, President & CEO of Geomega.

Magnet Recycling Demonstration Plant Update

Engineering, procurement and pre-construction activities have been progressing as planned over the last 3 months. Geomega engaged the services of BBA, a Canadian engineering consulting firm specializing in energy, mining and metals, oil, gas and biofuels, to complete the final stage of detailed engineering and prepare the project for construction. The work started in December 2022 and is expected to finish around April/May 2023. Progress at the various sections of the project is explained below. More information will be provided as these milestones are met.

- Process design – Process flow diagrams (PFD) are complete. Piping & Instrumentation Diagrams (P&ID) are at around 100% completeness level with only minor modifications expected as the project evolves towards construction.
- Auxiliary items – Instrument list, valve list and the control system design have been updated based on the latest P&ID version. Purchase orders are expected to be issued in February.
- Equipment and packages – Equipment and package ordering continued throughout the last 3 months. The main equipment for the crushing and grinding circuit was received in December 2022. More equipment for other portions of the plant is expected to be received in February 2023. Several equipment drawings are being finalized with vendors and are expected to be issued for construction not later than the end of February 2023.
- Pre-construction activities – The peripheral engineering design (civil and architectural, HVAC and structural system, drain system designs, etc.) was awarded to BBA. The work started in December 2022 and is advancing as expected. The project technical risk assessment, performed by an external group, provided only minor recommendations in order to comply with the best industry safety practices. The full HAZOP (Hazard and Operability) study is scheduled for early February 2023 and will be performed by BBA. Permitting activities that began in Fall 2022 are progressing and will continue throughout 2023.
- Layout – The latest version of the layout and equipment mechanical design were provided to BBA who will deliver the plant 3D model. That work has now begun and is advancing as planned.
- Complementary testwork – Bench scale testwork has continued throughout the last 3 months. The main objectives of this work are optimization and verification of reagent needs and process robustness versus deviation in operation conditions.
- Construction activities – As the peripheral design and 3D model are completed by BBA, the Corporation will be requesting detailed construction proposals during 2023.

Bauxite Residues Project Update

Geomega is pleased with the progress of the Bauxite Residues project and management is optimistic about the potential of this project to drive exciting developments in 2023. Lab work continued to investigate more paths to monetize diverse streams of products and will extend throughout the year. The majority of the equipment for the initial phase of the pilot plant covering the core of the transformation process has been received. Layout of this phase of the pilot plant is complete, and installation began in January 2023. The continuous pilot plant is expected to deliver kilograms of material of the main product streams which will be used for testing by end users. Both bench scale and piloting work on this project will continue throughout the year and updates will be provided as milestones are achieved.

About Geomega (www.geomega.ca)

Geomega develops innovative technologies for extraction and separation of rare earth elements and other critical metals essential for a sustainable future. With a focus on renewable energies, vehicle electrification, automation and reduction in

energy usage, rare earth magnets or neo-magnets (NdFeB) are at the center of all these technologies. Geomega's strategy revolves around gradually de-risking its innovative technology and delivering cashflow and return value to shareholders while working directly with the main players in these industries to recycle the magnets that power all those technologies.

As its technologies are demonstrated on larger scales, Geomega is committed to work with major partners to help extract value from mining feeds, tailings and other industrial residues which contain rare earths and other critical metals. Irrespective of the metal or the source, Geomega adopts a consistent approach to reduce the environmental impact and to contribute to lowering greenhouse gases emissions through recycling the major reagents in the process.

Geomega's process is based around its proprietary, low-cost, environmentally friendly way to tap into a C\$1.5 billion global market to recycle magnet production waste and end of life magnets profitably and safely.

Geomega also owns the Montviel rare earth carbonatite deposit, the largest 43-101 bastnaesite resource estimate in North America and holds over 16.8M shares, representing approximately 14% of the issued and outstanding shares, of Kintavar Exploration Inc. (KTR.V), a mineral exploration company that is exploring for copper projects in Quebec, Canada.

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