



NEWS

NEO PERFORMANCE MATERIALS INC. ANNOUNCES NORMAL COURSE ISSUER BID AND AUTOMATIC PURCHASE PLAN FOR ITS COMMON SHARES

TORONTO, Canada, May 14, 2020 – Neo Performance Materials Inc. ("**Neo**" or the "**Company**") (**TSX: NEO**) announced today that the Toronto Stock Exchange (the "**TSX**") has accepted a notice filed by Neo of its intention to make a Normal Course Issuer Bid (the "**Bid**") for up to 1,883,637 of its issued and outstanding common shares (the "**Shares**"). In connection with the Bid, the Company has entered into an automatic share purchase plan with its designated broker to allow for purchases of its Shares (the "**Share Purchase Plan**").

Purchases of Shares under the Bid may commence on May 19, 2020 and will terminate on May 18, 2021, or on such earlier date as the Bid is complete. Purchases of Shares will be made through the facilities of the TSX or alternative Canadian trading systems in accordance with its rules or through the Share Purchase Plan. Under the Share Purchase Plan, purchases may be made in the open market through the facilities of the TSX or alternative Canadian trading systems. Purchases under the Share Purchase Plan will be determined by Neo's broker in its sole discretion, without consultation with the Company, subject to the limitations of the Share Purchase Plan and the rules of the TSX. The Share Purchase Plan is considered an "automatic plan" for purposes of applicable Canadian securities laws and has been reviewed by the TSX. The Share Purchase Plan was established to provide standard instructions regarding how the Shares are to be purchased under the Bid. Accordingly, Neo may purchase its Shares in accordance with the Share Purchase Plan on any trading day during the Bid, including during self-imposed trading blackout periods. The Company may otherwise vary, suspend or terminate the Share Purchase Plan only if it does not have material non-public information, the decision to vary, suspend or terminate the Share Purchase Plan is not taken during a self-imposed trading blackout period and any variation, suspension or termination is made in accordance with the terms of the Share Purchase Plan.

The average daily trading volume of the Shares for the previous six calendar months ("**ADTV**") ending May 1, 2020 was 10,897 Shares. On any trading day, purchases under the Bid will not exceed 2,724 Shares. The price that the Company will pay for any Shares purchased under the Bid will be the prevailing market price at the time of purchase. Any Shares purchased by the Company will be cancelled.

As of May 14, 2020, there were 37,672,756 Shares issued and outstanding. The 1,883,637 Shares that may be repurchased under the Bid represent approximately 5% of the issued and outstanding Shares on May 14, 2020.

Neo believes that its Shares have been trading in a price range which does not adequately reflect the value of such shares in relation to the business of Neo and its future business prospects. As a result, depending upon future price movements and other factors, Neo believes that its outstanding Shares may represent an attractive investment to Neo. Furthermore, the purchases are expected to benefit all persons who continue to hold Shares by increasing their equity interest in Neo.

Pursuant to a previous notice of intention to conduct a normal course issuer bid, under which the Company and received approval from the TSX to purchase up to 1,982,517 Shares for the period from March 21, 2019 to March 20, 2020, the Company has purchased as of March 20, 2020, an aggregate of 1,982,493 Shares on the open market at an volume weighted average purchase price of \$11.68.

Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws in Canada. Forward-looking information may relate to future events or future performance of Neo. All statements in this release, other than statements of historical facts, with respect to Neo's objectives and goals, as well as statements with respect to its beliefs, plans, objectives, expectations, anticipations, estimates, and intentions, are forward-looking information. Specific forward-

looking statements in this discussion include, but are not limited to, the following: expectations regarding certain of Neo's future results and information, including, among other things, revenue, expenses, sales growth, capital expenditures, and operations; statements with respect to current and future market trends that may directly or indirectly impact sales and revenue of Neo; expected use of cash balances; continuation of prudent management of working capital; source of funds for ongoing business requirements and capital investments; expectations regarding sufficiency of the allowance for uncollectible accounts and inventory provisions; analysis regarding sensitivity of the business to changes in exchange rates; impact of recently adopted accounting pronouncements; risk factors relating to intellectual property protection and intellectual property litigation; risk factors relating to national or international economies (including the impact of COVID-19), and other risks present in the jurisdictions in which Neo, its customers, its suppliers, and/or its logistics partners operate, and; expectations concerning any remediation efforts to Neo's design of its internal controls over financial reporting and disclosure controls and procedures. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. This information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. Neo believes the expectations reflected in such forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this discussion and analysis should not be unduly relied upon. For more information on Neo, investors should review Neo's continuous disclosure filings that are available under Neo's profile at www.sedar.com.

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 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.

Information Contact

Ali Mahdavi

Investor Relations

(416) 962-3300

Email: a.mahdavi@neomaterials.com

Jim Sims

Media Relations

(303) 503-6203

Email: j.sims@neomaterials.com

Website: www.neomaterials.com