NEWS

Neo's High-Purity Heavy Rare Earth Separations Plant in Jiangyin, China Reopens Following 12 - Day Lockdown

All Neo Rare Earth Processing Facilities Now Running at Capacity

TORONTO, Canada, May 18, 2022 – Neo Performance Materials Inc. ("**Neo**", the "**Company**") (**TSX:NEO**) is pleased to announce that its high-purity heavy rare earth separations facility in Jiangyin (JAMR), China has reopened for full operations after being shut down for 12 days following a government-mandated and city-wide lockdown order. None of Neo's employees tested positive for the COVID virus.

All of Neo's rare earth and rare metal production facilities worldwide are now fully operational. The JAMR plant is the only Neo facility that was forced to close temporarily because of the COVID pandemic.

"I am pleased that our JAMR specialty plant is operational again and that product shipments have resumed," said Constantine Karayannopoulos, CEO of Neo. "The fact that we are now running at capacity in all of our manufacturing facilities around the world is especially important given the increasing demand we continue to see for our specialized rare earth products."

Neo processes rare earth feedstock at JAMR into high-purity separated rare earth products, including dysprosium and terbium that can be used in sintered neodymium-iron-boron magnets for drive trains and related systems in electric vehicles. JAMR also produces precisely engineered materials for use in multi-layer ceramic capacitor chips for nano electronics systems in electric vehicles, smart phones, wearable devices, telemedicine, 5G communications, and the Internet of Things (IOT). Several trillion of these specialized chips are manufactured globally each year.

On the back of strong first quarter 2022 financial performance, demand for Neo's high-purity rare earth products, particularly the magnetic rare earths neodymium, praseodymium, dysprosium, and terbium, remain high given the rapidly growing reliance on them by manufacturers of battery electric, hybrid electric, and conventional vehicles, as well as by makers of energy efficient pumps and ultra-high speed motors.

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 facilities and offices across 10 countries: Japan, China, Thailand, Estonia, Singapore, Germany, United Kingdom, Canada, United States, and South Korea. For more information, please visit www.neomaterials.com.

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Cautionary Statements Regarding Forward-Looking Statements

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