NEO Battery Materials Provides Commercialization Update on Windsor Silicon Anode Manufacturing Plant

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- Initiated Due Diligence Through Phase I Environmental Site Assessment (ESA)
  - Dragun Corporation Commissioned to Conduct ESA to Identify Potential Areas of Environmental Concern (AEC)
  - Phase II ESA & Remedial Action To Be Undertaken When AECs Identified
- Discussions In Process to Select Potential Contractors and Construction Companies for Windsor Plant
- Windsor Silicon Anode Plant to Reduce Reliance on Imported Material, Encourage Canada's Battery Technology Innovation, and Support Region's Economic Development

Following the Windsor, Ontario, lease and investment announcement on January 24, 2025, NEO Battery Materials Ltd. ("NEO" or the "Company") (TSXV: NBM) (OTC: NBMFF), a low-cost silicon anode materials developer that enables longer-running, rapid-charging lithium-ion batteries, is pleased to announce advancements in its commercialization efforts of Canada's first advanced silicon anode manufacturing facility.

Site Due Diligence and Pre-Commercialization Activities Underway

To ensure the site is suitable for development, NEO Battery Materials has initiated due diligence by commissioning a Phase I Environmental Site Assessment (ESA) for the 8-acre site located in the Windsor Airport South Industrial Park. Dragun Corporation, an experienced environmental consulting firm, is conducting this assessment, which will include a review of potential areas of environmental concern (AEC) within and adjacent to the site.

Assessment components involve regulatory file reviews related to certain environmental permits, notifications, and enforcement actions as part of the Phase I ESA. If AECs are identified, a Phase II ESA may be undertaken to determine soil and/or groundwater impact, and subsequent remediations will be taken to achieve compliance with environmental laws and standards.

In parallel, the Company is pre-qualifying potential contractors and construction companies for the project. Discussions are underway to select partners who can meet the technical, regulatory, and timeline requirements for the silicon anode plant construction. NEO remains committed to successfully completing the due diligence process and advancing construction preparations. Contractor selection and site progress updates will be provided as each activity is completed.

Windsor: Home to Canada's First Silicon Anode Manufacturing Plant

The Windsor plant will contribute to the Company's efforts to advance high-performance, sustainable battery materials technology for Canada and North America. The project includes establishing a manufacturing facility to produce 5,000 tons of silicon anode materials annually, with plans for value-added, battery-related projects. This initiative aims to reduce reliance on imported battery materials while supporting the region's economic development through job creation and investment.

About NEO Battery Materials Ltd.
NEO Battery Materials is a Canadian battery materials technology company focused on developing silicon anode materials for lithium-ion batteries in electric vehicles, electronics, and energy storage systems. With a patent-protected, low-cost manufacturing process, NEO Battery enables longer-running and ultra-fast charging batteries compared to existing state-of-the-art technologies. The Company aims to be a

globally-leading producer of silicon anode materials for the electric vehicle and energy storage industries. For more information, please visit the Company's website at: https://www.neobatterymaterials.com/.

On Behalf of the Board of Directors
Spencer Huh
Director, President, and CEO

For Investor Relations, PR & More Information:
info@neobatterymaterials.com
T: +1 (437) 451-7678

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