

Nouveau Monde Wrap-Ups a Productive Year Marked by Battery-Grade SPG Results at 99.99% and Roadmap to Phase-2 Integrated Development

- » Nouveau Monde's phase-1 operations produced 99.99%-pure battery-grade SPG; construction of coating unit being prepared for a fully integrated 2-ktpa value chain in first half 2022.
- » Critical milestones achieved this year for phase-2 Matawinie Mine: Québec governmental decree approving the project, construction of 8-km access road and start of civil works on industrial platform, 55% overall advancement of engineering, agreement with Caterpillar for all-electric zero-emission fleet.
- » Significant progress on the development of phase-2 Bécancour battery material plant: delivery of FEL-1 Scoping study, advancement of environmental baseline and geotechnical studies, work underway for a FEL-3 Feasibility study.
- » Major corporate milestones achieved: listing on the main board of the NYSE, over 130M\$ financing raised, publication of Nouveau Monde's inaugural ESG report, addition of expertise at the Board and management level.
- » Nouveau Monde's ESG-focused business model offers a local, responsibly sourced, environmentally transformed, traceable, carbon-neutral, and circular graphite supply alternative to existing Chinese production.
- » Sustained growth in the EV and energy storage markets continue to increase graphite demand, providing a solid foundation for the Company's expansion.

MONTRÉAL, CANADA, December 22, 2021 – In a year that saw accelerated commitments to Net Zero targets and global electrification, Nouveau Monde Graphite Inc. (“Nouveau Monde” or the “Company”) ([NYSE: NMG](#), [TSXV: NOU](#)) advanced the development of its fully vertically integrated ore-to-battery-material natural graphite business delivering positive results toward its 2021 goals. By de-risking its projects through phase-1 operations, detailing its blueprint for phase-2 expansion, engaging with the marketplace in connection with commercial agreements, continually investing in research and development (“R&D”) and environmental, social and governance (“ESG”) initiatives, and building a robust and attractive capital structure, Nouveau Monde is executing its strategy to generate a disciplined and timely growth.

The Company is working towards building a turn-key, local supply of carbon-neutral anode material to cater to the growing North American and European battery and electric vehicles (“EV”) markets. As the #1 input of lithium-ion batteries, graphite totals 1.2 kg for every kWh of energy storage. In comparison to last year's 2,972 GWh in the pipeline for battery cell capacity, the latest projections by Benchmark Mineral Intelligence estimate that 4,814 GWh is being developed to meet the surge

in EV and energy storage solutions manufacturing – a 62% year-over-year increase. Such levels of battery production would represent a demand of 5.8 million tonnes of graphite for these market segments alone.

Arne H Frandsen, Chairman of Nouveau Monde, commented: “As electrification becomes mainstream and ESG principles dominate asset managers’ and investors’ consideration, Nouveau Monde has stepped up as a recognized contributor to the decarbonization effort. 2021 was a structural year as we lined the building blocks that will support the next stage of our development. Elevating our profile on capital markets, securing the permitting for our Matawinie mine, furthering the processes and parameters of our anode material advanced manufacturing, as well as advancing discussions with potential customers strengthened our position in the market.”

2021 Highlights

- » Conducting of safe operations with Nouveau Monde’s zero-harm philosophy being top of mind to protect the environment, as well as the health and safety of employees, contractors, and communities.
- » Construction, commissioning, and start of production at the Company’s phase-1 purification facility. [Samples produced at 99.99% purity](#) have confirmed the high-quality, battery-grade specifications of the material.
- » [Authorization by the Québec Government of the Matawinie mining project](#) following a rigorous environmental review and public consultation.
- » Continuous advancement of detailed engineering of the Matawinie concentrator and mining infrastructure – progress at year-end of overall engineering is estimated at 55%.
- » Carrying out of a [FEL-3 feasibility study for the large-scale phase-2 Bécancour battery material plant](#) to reflect Nouveau Monde’s integrated business model for a comprehensive planning, cost projection, and development framework. The Matawinie mining project’s National Instrument 43-101 feasibility study covering the West Zone deposit will be updated on the back of the [latest mineral resource update](#) and the value-added transformation steps that are part of the Bécancour battery material plant.
- » Sequenced construction timelines of the phase-2 mine and battery material plant should see phased ramp-up activities respectively in 2024 and 2025.
- » [Earthworks at the Matawinie mining project](#): construction of a nearly 8-km access road completed and commencement of civil works for the industrial platform.
- » [Signing of a historical agreement with Caterpillar Inc.](#) for the development, testing, and deployment of Cat® zero-emission machines for the Matawinie mining fleet – that is projected to be the world’s first all-electric open-pit mine.
- » [Successful listing of the Company’s common shares on the New York Stock Exchange](#), the world’s largest stock market, under the symbol “NMG”.
- » Building and commissioning of [an advanced laboratory and R&D facility](#) with the in-house capacity for testing anode material and providing customized specifications to battery and EV manufacturers.
- » Production of meaningful battery-grade samples, including B-samples for advancing the product qualification process with battery and EV manufacturers, to support [Nouveau Monde’s commercial discussions](#).

- » [Addition to phase-1 operations](#) of a second commercial-scale shaping module and commencement of construction of a coating line for a nameplate capacity of 2,000 tonnes of coated spherical purified graphite (“CSPG”).
- » Signing of a collaboration agreement with Lithion Recycling to [advance the recovery and value-added transformation of recycled graphite](#) for reuse as anode material.
- » [Patent application for the Company’s proprietary thermochemical purification ecotechnology](#), free of hydrofluoric acid and harnessing clean hydropower.
- » [Admission to the Global Battery Alliance](#), a World Economic Forum’s initiative regrouping leading players of the industry for helping establish a circular and sustainable battery value chain.
- » [Commitment to past, present, and future carbon neutrality](#) thanks to the environmentally-focused design of Nouveau Monde’s projects and processes, historical compensation, and climate action strategy.
- » [Issuing of an inaugural ESG Report](#) providing shareholders and asset managers with performance indicators and an overview of Nouveau Monde’s anchor initiatives.
- » Over \$130M raised through public and private offerings, the exercise of warrants, private placements, and financial levers from governments to support the Company’s current operations and the advancement of its key projects.
- » Strengthened governance with the addition of strategic expertise at the Board of Directors with the nomination of [Andrew Willis](#), [Dr. Jürgen Köhler](#), [Nathalie Pilon](#) and [James Scarlett](#), plus [David Torralbo](#) as Chief Legal Officer and Corporate Secretary, and enhanced structures, policies, and programs to guide the Company’s development.

Eric Desaulniers, Founder, President, and CEO of Nouveau Monde, added: “Supply chain disruptions this year and the accelerated pace of electrification compelled battery and EV manufacturers to examine their sourcing more closely. Securing volumes, diversifying sources, prioritizing local producers, and examining the carbon footprint of value chains are among the many factors that dominated commercial discussions in our market. I am pleased to see that our environmental stewardship, exceptional localization, and scaled growth strategy are positioning Nouveau Monde at the forefront of our industry. Special thanks go to our employees, partners, and shareholders for their unwavering support in helping us reach our objectives in 2021 and beyond.”

About Nouveau Monde

Nouveau Monde is striving to become a key contributor to the sustainable energy revolution. The Company is working towards developing a fully integrated source of carbon-neutral battery anode material in Québec, Canada for the growing lithium-ion and fuel cell markets. With low-cost operations and enviable ESG standards, Nouveau Monde aspires to become a strategic supplier to the world’s leading battery and automobile manufacturers, providing high-performing and reliable advanced materials while promoting sustainability and supply chain traceability. www.NMG.com

Contact

Julie Paquet
 VP Communications & ESG Strategy
 +1-450-757-8905 #140
jpaquet@nmg.com

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Cautionary Note Regarding Forward-Looking Information

All statements, other than statements of historical fact, contained in this press release including, but not limited to those describing the growth of the EV and energy storage markets, the Company's growth, graphite demand, the Company's planned integrated supply of carbon-neutral anode material, the projected energy requirements for EV and energy storage solutions and corresponding supply of graphite, the construction of the Company's coating line and its intended capacity, the Company's phase-2 commercial operations, completion of the FEL-3 study of the battery material plant, the Company's ESG-focused business model, the trend towards electrification, the importance of ESG principles in investment considerations, the timeline of the initiatives described in this press release, the electrification of the open-pit mine, and those statements which are discussed under the "About Nouveau Monde" paragraph and elsewhere in the press release which essentially describe the Company's outlook and objectives, constitute "forward-looking information" or "forward-looking statements" within the meaning of certain securities laws, and are based on expectations, estimates and projections as of the time of this press release. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect. Moreover, these forward-looking statements were based upon various underlying factors and assumptions, including the current technological trends, the business relationship between the Company and its stakeholders, the ability to operate in a safe and effective manner, the timely delivery and installation of the equipment supporting the production, the Company's business prospects and opportunities and estimates of the operational performance of the equipment, and are not guarantees of future performance.

Forward-looking information and statements are subject to known or unknown risks and uncertainties that may cause actual results to differ materially from those anticipated or implied in the forward-looking information and statements. Risk factors that could cause actual results or events to differ materially from current expectations include, among others, delays in the scheduled delivery times of the equipment, the ability of the Company to successfully implement its strategic initiatives and whether such strategic initiatives will yield the expected benefits, the availability of financing or financing on favorable terms for the Company, the dependence on commodity prices, the impact of inflation on costs, the risks of obtaining the necessary permits, the operating performance of the Company's assets and businesses, competitive factors in the graphite mining and production industry, changes in laws and regulations affecting the Company's businesses, political and social acceptability risk, environmental regulation risk, currency and exchange rate risk, technological developments, the impacts of the global COVID-19 pandemic and the governments' responses thereto, and general economic conditions, as well as earnings, capital expenditure, cash flow and capital structure risks and general business risks. Unpredictable or unknown factors not discussed in this Cautionary Note could also have material adverse effects on forward-looking statements.

Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied in any forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. The Company disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Further information regarding the Company is available in the SEDAR database (www.sedar.com), and for United States readers on EDGAR (www.sec.gov), and on the Company's website at: www.NMG.com