

NMG Obtains Financial Levers of Up to CA\$3.6 Million to Further Develop its Advanced Transformation Processes for Environmentally Friendly Anode Material

- + Financial assistance of CA\$3 million through the Québec government’s Technoclimat program to support NMG’s advanced transformation of environmentally friendly anode material
- + Additional grants of CA\$600,000 from the FRQNT to go toward two R&D projects to optimize NMG’s advanced transformation processes
- + Government leadership to develop critical and strategic minerals boosts NMG’s commercialization efforts and positions Québec and Canada as major players in the Western battery market
- + From the mine to anode material, NMG is developing a fully integrated value chain offering traceability, carbon neutrality and local sourcing of graphite products

MONTREAL, CANADA, February 10, 2023 – In line with its strategy of full vertical integration, Nouveau Monde Graphite Inc. (“NMG” or the “Company”) ([NYSE: NMG](#), [TSX.V: NOU](#)) is continuing to develop its advanced graphite transformation technologies to supply the Western battery and electric vehicle (“EV”) market with environmentally friendly anode material. Through the Technoclimat program and the Fonds de recherche du Québec – Nature et technologies (“FRQNT”), the Government of Québec will provide the Company with financial leverage of up to CA\$3.6 million for advanced graphite transformation projects.

Arne H Frandsen, NMG's Chair of the Board, stated: *“In addition to having the required mineral resources for the energy transition, clean hydroelectricity, an established research ecosystem, and an attractive fiscal environment, Québec has been an exceptional partner throughout all stages of NMG’s development. The funding announced today will boost our manufacturing capabilities and battery materials expertise right here in the province to serve the growing EV market.”*

Eric Desaulniers, Founder, President and CEO of NMG, said: *“By investing in our portfolio of technologies, we are shaking off our dependence on Chinese production lines and supporting the development of an environmentally responsible and ethical battery industry in the Western World. NMG is positioning itself at the forefront of this growing sector with its fully integrated mine-to-anode-material model, its ESG commitment, and its business relationships.”*



Québec Minister Caroline Proulx and President & CEO Eric Desaulniers pose with members of NMG's R&D team at the Company's Phase-1 facilities during the announcement of the financial levers.

Technology Projects for Active Anode Material

The Government of Québec is providing financial assistance of up to CA\$3 million through its Technoclimat program, a public investment platform dedicated to innovation in energy and the reduction of greenhouse gas ("GHG") emissions. These funds will support the deployment of the [coating technology at NMG's Phase-1 operations](#) and [research and development \("R&D"\) initiatives launched in partnership with Professor Philippe Ouzilleau](#), an expert in graphite materials engineering from McGill University, and his research team.

Coating reduces the specific surface area of purified spherical graphite and increases its electrochemical performance through the surface application of a nanoscale layer of amorphous carbon. [As a complement to the funding received from the Government of Canada](#), this financial assistance will go toward NMG's innovative coating technology that could reduce energy consumption by up to 25%, reduce the environmental footprint of its products, and provide versatility for different coating precursor sources for greater flexibility in production. Indeed, the project's R&D component aims at developing a biomass-based coating material to replace traditional petroleum-based coatings which would reduce greenhouse gas emissions from the use of these petroleum precursors by up to 50%.

On a commercial scale similar to what is planned for the Bécancour Battery Material Plant (Phase 2), NMG's Phase-1 coating module supports product qualification with battery manufacturers.

NMG's choice of technology for its equipment and use of Québec's clean energy to power its operations will reduce both current and projected GHG emissions associated with the coating of anode material. NMG is already developing [anode material with an industry-leading low environmental footprint](#) and continues to optimize its processes and integrate environmentally

friendly measures into its operations and R&D projects to further improve its environmental profile.

The FRQNT is providing NMG with two new grants totalling up to CA\$600,000 for the material production of quality graphite with a low environmental impact for the lithium-ion battery sector.

In collaboration with Professor Lionel Roué from the Énergie Matériaux Télécommunications Research Centre of the Institut national de la recherche scientifique (« INRS ») and Professor Philippe Ouzilleau from McGill University, NMG intends to develop a series of high electrochemical performance graphite-based composites by valorizing residual materials from NMG's process as well as bio-sourced materials. The Company will also work with Professors Gervais Soucy and Jocelyn Veilleux of the University of Sherbrooke on advanced graphite transformation technologies based on high-performance ecological thermal processes.

NMG intends to develop a high-performance composite series by beneficiating residual materials. The Company will also work with Professor Gervais Soucy and Professor Jocelyn Veilleux from the Université de Sherbrooke on an advanced graphite transformation technology using a thermal plasma reactor.

NMG has developed an R&D portfolio targeting the next generation of lithium-ion battery materials. The Québec government's leadership in the strategy to develop critical and strategic minerals reinforces NMG's business plan and supports the deployment of a dynamic and high-performance battery industry to supply the Western market.

About Nouveau Monde Graphite

Nouveau Monde Graphite 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, NMG 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

MEDIA

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

INVESTORS

Marc Jasmin
Director, Investor Relations
+1-450-757-8905 #993
mjasmin@nmg.com

Subscribe to our news feed: <https://bit.ly/3UDrY3X>

Cautionary Note

All statements, other than statements of historical fact, contained in this press release including, but not limited to the development of the Company's environmentally friendly advanced graphite materials processes, the Company's ESG goals, aspirations and commitments, including potential greenhouse gas emission reductions, and the achievement thereof, the Company's research and development plans, the timing and progress of the initiatives described in this press release, the anticipated results of the initiatives described in the press release, the amounts to be awarded to the Company in connection with the grants announced in this press release, 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” (collectively, “forward-looking statements”) within the meaning of Canadian and United States 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 at estimated prices of the equipment supporting the production, assumed sale prices for graphite concentrate, the accuracy of any Mineral Resource estimates, future currency exchange rates and interest rates, political and regulatory stability, prices of commodity and production costs, the receipt of governmental, regulatory and third party approvals, licenses and permits on favorable terms, sustained labor stability, stability in financial and capital markets, availability of equipment and critical supplies, spare parts and consumables, the various tax assumptions, CAPEX and OPEX estimates, the Uatnan Mining Project permits’ status, all economic and operational projections relating to the project, local infrastructures, 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 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 statements. Risk factors that could cause actual results or events to differ materially from current expectations include, among others, those risks which are discussed under the “Next Steps and Quality Assurance” paragraph, 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. A further description of risks and uncertainties can be found in NMG’s Annual Information Form dated March 22, 2022, including in the section thereof captioned “Risk Factors”, which is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. 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