Following the Nouveau Monde Highway to Battery Graphite

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I have some recurring themes that I tend to write about. I have no idea if people like them or not so I will continue along in my own little vacuum and hope that at least some readers out there find the same things interesting that I do.

One of those themes I like to revisit is clean, sustainable resource acquisition. By that I mean, we can't just pillage the earth for all the critical battery metals we require simply because it's a means to an end….well, we can, and currently we do. But I feel that at some point in time, there will be as much scrutiny on how we source these materials as there is on phasing out fossil fuels and reducing overall carbon emissions. At least I'd like to think that's the case, but who knows if policymakers will take that next step. To me, it seems the end goal of a greener economy is kind of pointless if we don't look at the whole picture.

Bottom line, in my opinion, we need to be just as concerned about where and how we are acquiring all the copious amounts of raw materials required to transition to a cleaner, greener future or we're simply trading in one problem for another. Whether companies are recognized for this today, or not for some time to come, I strongly believe they will eventually be rewarded.

That brings me to Nouveau Monde Graphite Inc. (NYSE: NMG | TSXV: NOU), a Québec-based company 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

lithium-ion battery and fuel cell markets, and other value-added graphite products. With excellent ESG standards, the Company aspires to become a strategic supplier to the world's leading battery and auto manufacturers, providing high-performing and reliable advanced materials while promoting sustainability and supply chain traceability.

The Company's activities are focused on the planned Matawinie graphite mine and the planned commercial value-added Bécancour Battery Materials Plant, both of which are progressing concurrently toward commercial operations.

The Matawinie graphite property, owned 100% by the Company, consists of 246 mining claims spanning 13,214 hectares, located around 120 km north of Montréal, Québec. An updated feasibility study for this property indicates an annual processing rate of 2.55 million metric tonnes and average annual graphite production of 103,328 metric tonnes. In 2018, the Company began operating a demonstration plant in Saint-Michel-des-Saints to validate the quality and processes of its graphite products, and to serve as a foundation for its Phase-2 battery material plants. Nouveau Monde has initiated steps towards making the Matawinie Mine one of the first all-electric open-pit operations globally, working in collaboration with Caterpillar and governments to achieve electrification in mining and aiming to reduce over 300,000 tonnes of CO2 emissions over the mine's lifespan.

At the same time, Nouveau Monde is progressing with its Battery Material Plant Project, producing spherical graphite at its Phase-1 facility, and leveraging a proprietary thermochemical purification process to yield graphite with purity levels surpassing 99.95%. The Company has a partnership with Olin Corporation for operational support and raw material supply, and has set up pilot plant purification modules at Olin's Bécancour,

Québec facility. Nouveau Monde owns land in Bécancour to build its own manufacturing plant, projected to produce approximately 46,000 tpa of advanced graphite materials. This is further strengthened by the Québec Government's battery hub strategy, which has attracted significant industrial players to the area. The Company's current commercial plans for its Phase-2 Bécancour Battery Material Plant are being advanced in line with a recent Feasibility Study.

Nouveau Monde's latest quarterly operational update provides valuable insights into the progress being made on both fronts. The Company announced significant advancements in the development of its fully integrated value chain, with the aim of becoming one of the largest natural graphite sources in North America. As the company approaches its Phase-2 development, emphasis is being placed on securing optimal multiyear sales agreements, finalizing technical parameters for the Bécancour Battery Material Plant, enhancing commercial visibility, and ensuring long-term shareholder value. Collaborative testing is ongoing at the Company's Phase-1 plants alongside potential customers, aiming to optimize process efficiency, inform Phase-2 facility plans, and mitigate risks. Significant partnerships have been established, including a technology collaboration with Caterpillar and a potential long-term agreement with Panasonic Energy. The Company secured US$22 million in a bought deal financing in April to finish Q2 with a cash position of C$59.8 million, while continuing to engage with governmental agencies to optimize project financing.

Despite a slower start to EV sales in 2023, the market saw a 36% YoY increase with further growth expected in the latter part of 2023. Benchmark Mineral Intelligence forecasts the global production capacity of lithium-ion batteries to reach 8,930 GWh by 2030, suggesting a significant growth in demand for battery materials, including graphite. Nouveau Monde's comprehensive

production model and strategic advantages, such as carbon-neutrality and regional benefits, place the company in a favorable position to cater to Western markets looking to decrease dependence on Chinese suppliers. It’s not just enough to supply a critical material anymore, it needs to be done sustainably.

Nouveau Monde Graphite Inc. trades at a market cap of C$235 million.