NEO Battery Materials Announces Successful Completion of Semi-Commercial Plant Conceptual Design and Initiates Engineering EPC Stage for Construction

written by Raj Shah | October 26, 2021

October 26, 2021 (Source) – NEO Battery Materials Ltd. (**TSXV: NBM**) (**OTCQB: NBMFF**) ("**NEO**" or the "**Company**") is pleased to announce that the Company has successfully completed the conceptual design of its semi-commercial plant facility and is now entering the initial EPC (Engineering, Procurement, and Construction) stage for the construction of the facility in South Korea.

Mr. Spencer Huh, President and CEO of NEO, commented, "We are extremely pleased to announce that the conceptual design of the semi-commercial plant has been completed over the course of three months through a fast-track effort by NEO's team. NEO is now another step towards commercializing our silicon anode materials for EV lithium-ion batteries and is actively expediting our timelines and milestones."

As per the news released on July 8, 2021, the Company's management and engineers initiated the conceptual design of the pilot plant in which the capacity was later upgraded to a semi-commercial scale due to positive internal results and the need for agile integration into the lithium-ion battery supply chain for electric vehicles (EV). The conceptual design report has

validated that the annual production rate of 120 tons of silicon anode materials is viable through NEO’s proprietary process.

In addition to the completion of the Basic Engineering Design Data (BEDD), the Configuration and Equipment of major production processes for NEO’s one-pot nanocoating technology have been confirmed and finalized. This report has allowed the Company to determine the required Raw Materials and Utility to accommodate for the annual production of 120 tons, and guidelines for health, safety, and environment (HSE) for the facility have been presented within the report.

Dr. J. H. Park, Director and Chief Scientific Advisor of NEO, said, “The semi-commercial plant is of great significance as NEO’s management and engineers have successfully designed the plant to enable both low-cost production of the silicon anode materials and flexibility of specification to satisfy the needs of various customers in the supply chain.”

NEO will now immediately commence the Engineering EPC (Engineering, Procurement, and Construction) stage for the construction of the semi-commercial plant. The Company expects the plant to be completed and commissioned by the end of 2022. The conceptual design of the facility was carried out in full consideration of scaling up to a full commercial plant, and as the design follows a globally recognized International Code, there will be no restriction or limitation for future commercial plants being built elsewhere such as North America and Europe.

“Concerning the site selection of the semi-commercial facility, NEO is currently negotiating with two South Korean provincial governments to find the most suitable and economical option for construction. The Company is considering the benefits provided to foreign-invested companies by the government and the proximity with South Korean battery manufacturers. The initial

EPC stage can commence without conflicting with the site selection. We are also in the last stages of establishing the South Korean subsidiary NEO Battery Materials Korea Ltd. ("**NBMK**"), and we are proceeding with all business and engineering activities without delay. As all developments are secured and completed, we will accordingly announce all updates as soon as possible," added Mr. Spencer Huh.

About NEO Battery Materials Ltd.

NEO Battery Materials Ltd. is a Vancouver-based company focused on battery metals and materials. NEO has a focus on producing silicon anodes materials through its proprietary single-step nanocoating process, which provides improvements in capacity and efficiency over lithium-ion batteries using graphite in their anode materials. The Company intends to become a silicon anode active materials supplier to the electric vehicle industry. For more information, please visit the Company's website at: https://www.neobatterymaterials.com/.

On behalf of the Board of Directors

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