

NEO Battery Materials Signs MOU with the Province of Gyeonggi for Advancement of Silicon Anode Commercial Plant

written by Raj Shah | May 31, 2022

May 30, 2022 ([Source](#)) – NEO Battery Materials Ltd. (**TSXV: NBM**) (**OTCQB: NBMFF**) (“**NEO**” or the “**Company**”) is pleased to announce that the Company has signed a Memorandum of Understanding (“**MOU**”) with the Province of Gyeonggi (“**Gyeonggi-do**” or the “**Province**”) on May 30th. The MOU establishes grounds for investments and cooperation between NEO and Gyeonggi-do to advance the mass production of silicon anode materials for electric vehicle (EV) batteries.



Pictured from Left to Right: Mr. Han Kyu Lee, 2nd Vice-Governor of Administration of Gyeonggi-do, and Mr. Spencer Huh, President and CEO of NEO Battery Materials

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Through the MOU, NBM Korea Co., Ltd., a wholly owned subsidiary of NEO Battery Materials, will initially invest, over the next 5 years, 24 billion KRW or approximately 25 million CAD to support the construction and expansion of the silicon anode commercial plant located on a 107,000 sq. ft. site in Oseong Foreign Investment Complex, Pyeongtaek City, Gyeonggi-do. With the discussed upfront capital investments, NEO emphasizes a priority for mass-production optimization and validation as minimizing the timeline to enter the market and establishing the Company's presence within the EV supply chain is vital to technology adoption in the industry. Along with the Province's officials and entities, the Company aims to transform Gyeonggi-do into an essential manufacturing and R&D hub of silicon anode materials.

As Gyeonggi Province has also agreed and recognized the importance of commercializing silicon anode materials, which have emerged as an essential next-step in the development of rechargeable battery materials, the Province has decided to provide active and continuous administrative and business support to enable the early mass-production of NBMSiDE™. In addition, both NEO and the Province can establish and operate a Working-Level Committee for standards of comprehensive cooperation, and separate mutual consultations will be held successively.

Mr. Han Kyu Lee, 2nd Vice-Governor of Administration of Gyeonggi-do, commented, "Lithium-ion batteries are the next catalyst for South Korea's economic growth, succeeding the semiconductor industry, but the Korean battery industry is only a house built on sand without distinctive competitiveness and innovation in battery material technology. We expect that the cooperation between NEO Battery Materials, which possesses silicon anode material technology, and the Gyeonggi Province

will substantially contribute to increasing the competitiveness of battery material technology.”

Mr. Spencer Huh, President and CEO of NEO, commented, “Through this MOU, NEO Battery Materials has secured a practical and useful partnership with the Province of Gyeonggi, which is the most populous and largest provincial economy in South Korea. We are incredibly excited to establish another step to advance the commercialization of NEO’s silicon anode through Gyeonggi-do’s various support and cooperation. Additionally, with the signing of the MOU, we expect that ongoing corporate developments will be able to proceed and produce results without problem and deterrence to the plan.”

About the Province of Gyeonggi

The Province of Gyeonggi, or Gyeonggi-do, is the most populous (13.4 M) and houses the largest provincial government in Korea. The province surrounds Seoul, the capital of South Korea. Gyeonggi-do is also known as the hub of industries and as the regional economy in Korea with the #1 international trade volume of USD 141.8B in 2019 among all the provinces. Gyeonggi-do is home to world-renowned companies such as Samsung, Hyundai, LG, Kia, SK Hynix, and multi-national global companies such as 3M, Bosch, and Siemens. The province, especially, is a main cluster of the battery supply chain in Korea including the home of Samsung SDI, which takes the position as one of the global top 5 battery makers.

About NEO Battery Materials Ltd.

NEO Battery Materials Ltd. is a Vancouver-based company focused on electric vehicle lithium-ion battery materials. NEO has a focus on producing silicon anode 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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