

Neo's High-Purity Heavy Rare Earth Separations Plant in Jiangyin, China Reopens Following 12 – Day Lockdown

written by Raj Shah | May 18, 2022

All Neo Rare Earth Processing Facilities Now Running at Capacity

May 18, 2022 ([Source](#)) – Neo Performance Materials Inc. (“Neo”, the “Company”) (TSX: [NEO](#)) is pleased to announce that its high-purity heavy rare earth separations facility in Jiangyin (JAMR), China has reopened for full operations after being shut down for 12 days following a government-mandated and city-wide lockdown order. None of Neo's employees tested positive for the COVID virus.

All of Neo's rare earth and rare metal production facilities worldwide are now fully operational. The JAMR plant is the only Neo facility that was forced to close temporarily because of the COVID pandemic.

“I am pleased that our JAMR specialty plant is operational again and that product shipments have resumed,” said Constantine Karayannopoulos, CEO of Neo. “The fact that we are now running at capacity in all of our manufacturing facilities around the world is especially important given the increasing demand we continue to see for our specialized rare earth products.”

Neo processes rare earth feedstock at JAMR into high-purity separated rare earth products, including dysprosium and terbium that can be used in sintered neodymium-iron-boron magnets for drive trains and related systems in electric vehicles. JAMR

also produces precisely engineered materials for use in multi-layer ceramic capacitor chips for nano electronics systems in electric vehicles, smart phones, wearable devices, telemedicine, 5G communications, and the Internet of Things (IOT). Several trillion of these specialized chips are manufactured globally each year.

On the back of strong first quarter 2022 financial performance, demand for Neo's high-purity rare earth products, particularly the magnetic rare earths neodymium, praseodymium, dysprosium, and terbium, remain high given the rapidly growing reliance on them by manufacturers of battery electric, hybrid electric, and conventional vehicles, as well as by makers of energy efficient pumps and ultra-high speed motors.

About Neo Performance Materials

Neo manufactures the building blocks of many modern technologies that enhance efficiency and sustainability. Neo's advanced industrial materials – magnetic powders and magnets, specialty chemicals, metals, and alloys – are critical to the performance of many everyday products and emerging technologies. Neo's products help to deliver the technologies of tomorrow to consumers today. The business of Neo is organized along three segments: Magnequench, Chemicals & Oxides and Rare Metals. Neo is headquartered in Toronto, Ontario, Canada; with corporate offices in Greenwood Village, Colorado, US; Singapore; and Beijing, China. Neo operates globally with sales, research and development, and production facilities and offices across 10 countries: Japan, China, Thailand, Estonia, Singapore, Germany, United Kingdom, Canada, United States, and South Korea. For more information, please visit www.neomaterials.com.

Cautionary Statements Regarding Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws in Canada. Forward-

looking information may relate to future events or future performance of Neo. All statements in this release, other than statements of historical facts, with respect to Neo's objectives and goals, as well as statements with respect to its beliefs, plans, objectives, expectations, anticipations, estimates, and intentions, are forward-looking information. Specific forward-looking statements in this discussion include, but are not limited to, the following: expectations regarding certain of Neo's future results and information, including, among other things, revenue, expenses, sales growth, capital expenditures, and operations; statements with respect to current and future market trends that may directly or indirectly impact sales and revenue of Neo; expected use of cash balances; continuation of prudent management of working capital; source of funds for ongoing business requirements and capital investments; expectations regarding sufficiency of the allowance for uncollectible accounts and inventory provisions; analysis regarding sensitivity of the business to changes in exchange rates; impact of recently adopted accounting pronouncements; risk factors relating to intellectual property protection and intellectual property litigation; risk factors relating to national or international economies (including the impact of COVID-19), and other risks present in the jurisdictions in which Neo, its customers, its suppliers, and/or its logistics partners operate, and; expectations concerning any remediation efforts to Neo's design of its internal controls over financial reporting and disclosure controls and procedures. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be

achieved. This information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. Neo believes the expectations reflected in such forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information included in this discussion and analysis should not be unduly relied upon. For more information on Neo, investors should review Neo's continuous disclosure filings that are available under Neo's profile at www.sedar.com.

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