



**NOUVEAU MONDE** GRAPHITE

# GREEN BATTERY MATERIALS

## TO POWER THE ENERGY REVOLUTION

### CORPORATE PRESENTATION

Lytham Partners

October 2020










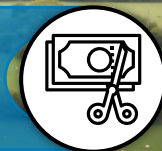


# CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING INFORMATION

This presentation contains "forward-looking information" within the meaning of the applicable securities legislation. All information contained herein that is not clearly historical in nature may constitute forward-looking information. Generally, such forward-looking information can be identified notably by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: (i) volatile stock prices; (ii) the general global markets and economic conditions; (iii) the possibility of write-downs and impairments; (iv) the risk associated with exploration, development and operations of graphite; (v) the risk associated with establishing title to mineral properties and assets; (vi) the risks associated with entering into joint ventures; (vii) fluctuations in graphite prices; (viii) the risks associated with uninsurable risks arising during the course of exploration, development and production; (ix) competition faced by the resulting issuer in securing experienced personnel and financing; (x) access to adequate infrastructure to support mining, processing, development and exploration activities; (xi) the risks associated with changes in the mining regulatory regime governing the Company; (xii) the risks associated with the various environmental regulations the Company is subject to; (xiii) risks related to regulatory and permitting delays; (xiv) the reliance on key personnel; (xv) liquidity risks; (xvi) the risk of litigation; and (xvii) risk management.

Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities, no material adverse change in graphite prices, exploration and development plans to proceed in accordance with plans and such plans to achieve their stated expected outcomes, receipt of required regulatory approvals, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Such forward-looking information has been provided for the purpose of assisting investors in understanding the Company's business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this presentation, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws.



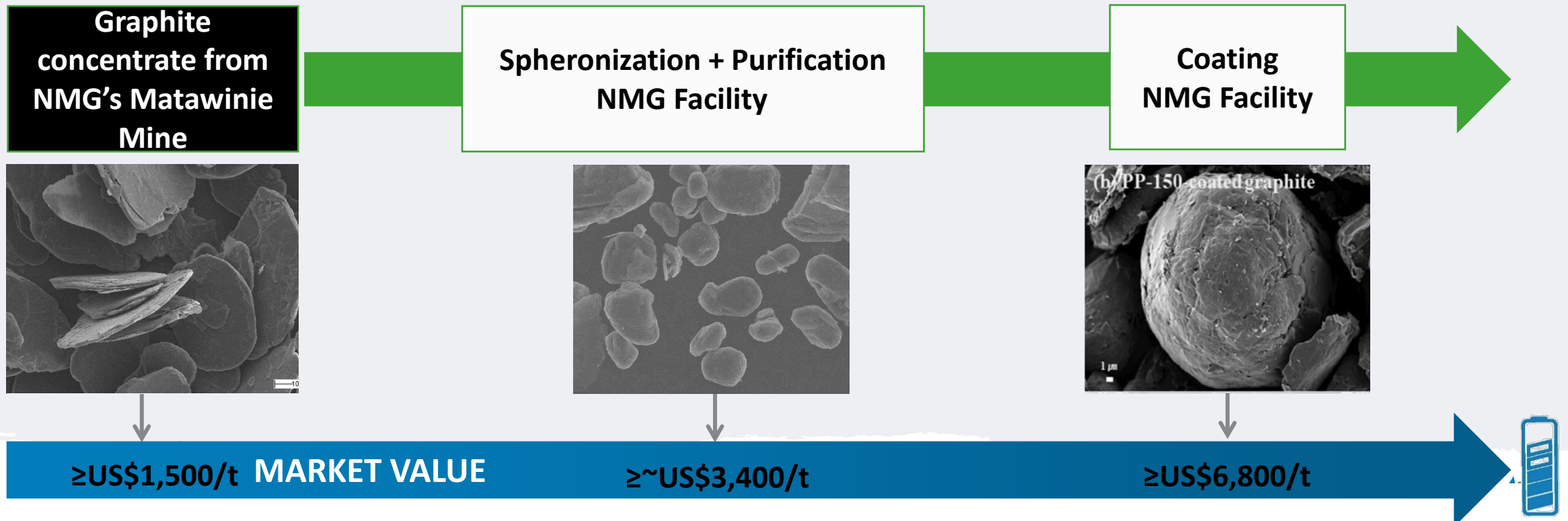
# + THE ONLY GRAPHITE COMPANY OFFERING A CARBON NEUTRAL PRODUCT

 <p>North America's most advanced graphite project with significant upside potential</p>	<p>Building the first all-electric open-pit mine for carbon-neutral operations</p> 
 <p>Low-cost producer of high purity graphite – strong near-term cash flows</p>	<p>Located in a Tier 1 mining jurisdiction in Canada, with access to exceptional infrastructure</p> 
 <p>Hi-tech product development through JV with world-leading battery researcher (Hydro-Québec)</p>	<p>Strong Government and local community support</p> 
 <p>Demonstration plants de-risk future production and accelerate commercialisation</p>	<p>Direct preferential access to major customers through the Pallinghurst-Traxys JV</p> 
 <p>A management team with unparalleled graphite experience</p>	<p>Extremely supportive institutional shareholder base to underpin development</p> 

# + THE ONLY FULLY INTEGRATED BUSINESS MODEL IN NORTH AMERICA

## PRODUCT OFFERING AT ALL LEVELS OF THE ANODE MATERIAL VALUE CHAIN

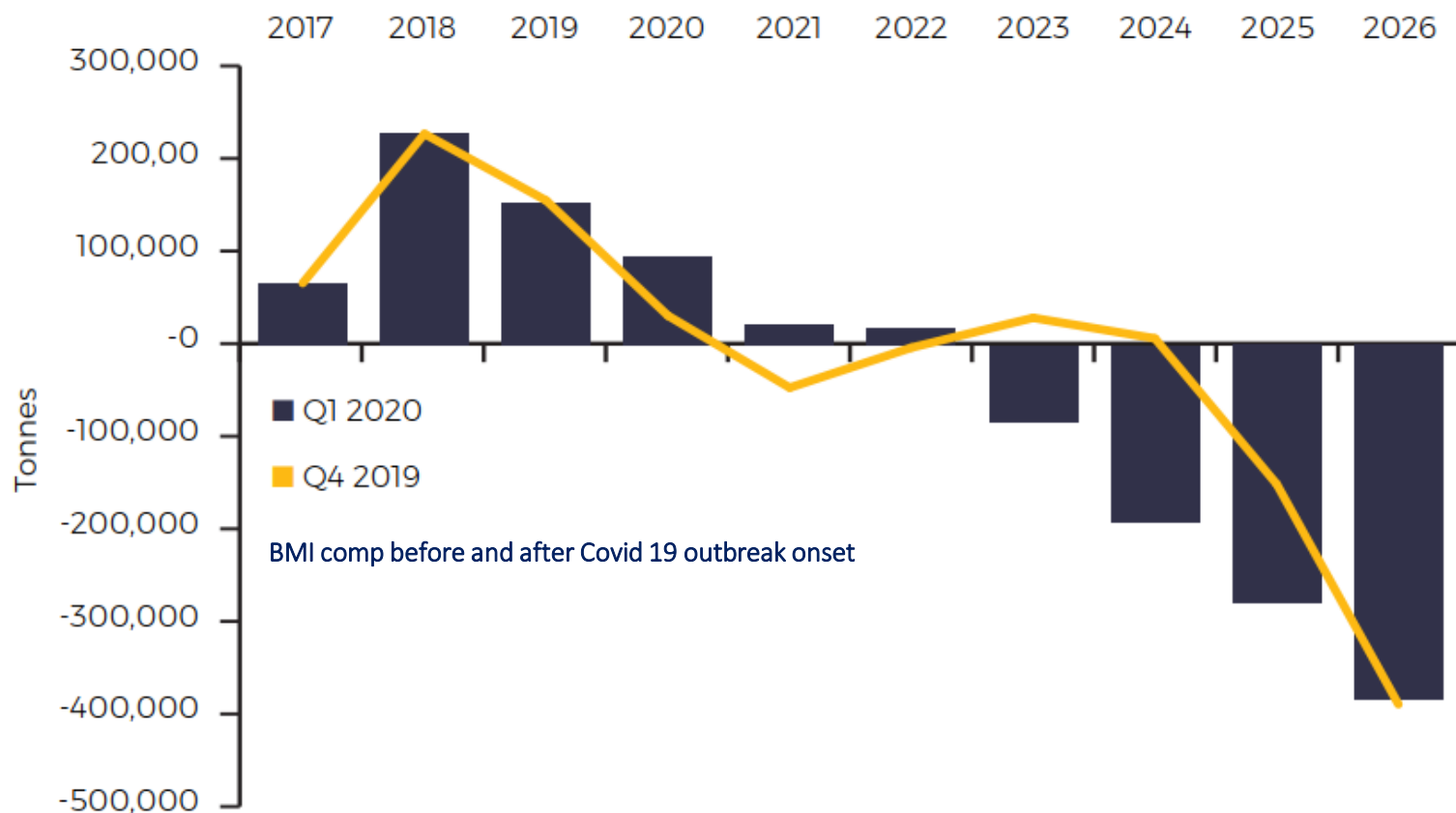
- » Every step is value adding; increasing profit margins
- » Product qualification is required by Li-Ion battery producers ( $\approx 12\text{-}24$  months); some willing to fast track in order to secure supply if initial tests meet key specs





# MARKET OPPORTUNITY

# + GRAPHITE SUPPLY SHORTAGE BY 2023










## Market projection for natural graphite

- » Graphite demand exceeding global supply by 400 000 tonnes by 2026
- » New production needed to come online to meet the strong growth market
- » NOU begins commercial production in 2023; largest producer in North America offering carbon-neutral battery grade graphite.

Source : Benchmark Mineral Intelligence

# + GLOBAL INITIATIVES SUPPORT FUTURE GROWTH

							
	<b>CHINA</b>	<b>NORWAY</b>	<b>HOLLAND</b>	<b>GERMANY</b>	<b>INDIA</b>	<b>FRANCE</b>	<b>UNITED KINGDOM</b>
<b>INITIATIVE</b>	5 MILLION EVS ON THE ROAD BY 2020 & THE PRODUCTION OF 7 MILLION EVS ANNUALLY BY 2025	CHANGE TO TAXES & INCENTIVES TO ACHIEVE ZERO OR LOW EMISSIONS	BAN ON ALL FOSSIL FUEL PASSENGER CARS	CHANGE TO TAXES & INCENTIVES TO ACHIEVE ONLY ZERO EMISSIONS SALES	BAN ON THE SALE OF PETROL AND DIESEL CARS	BAN ON THE SALE OF CARS EMITTING GREENHOUSE GASES	BAN ON THE SALE OF ALL PETROL & DIESEL CARS & VANS
<b>TARGET</b>	2020, 2025	2025	2025	2030	2030	2040	2040

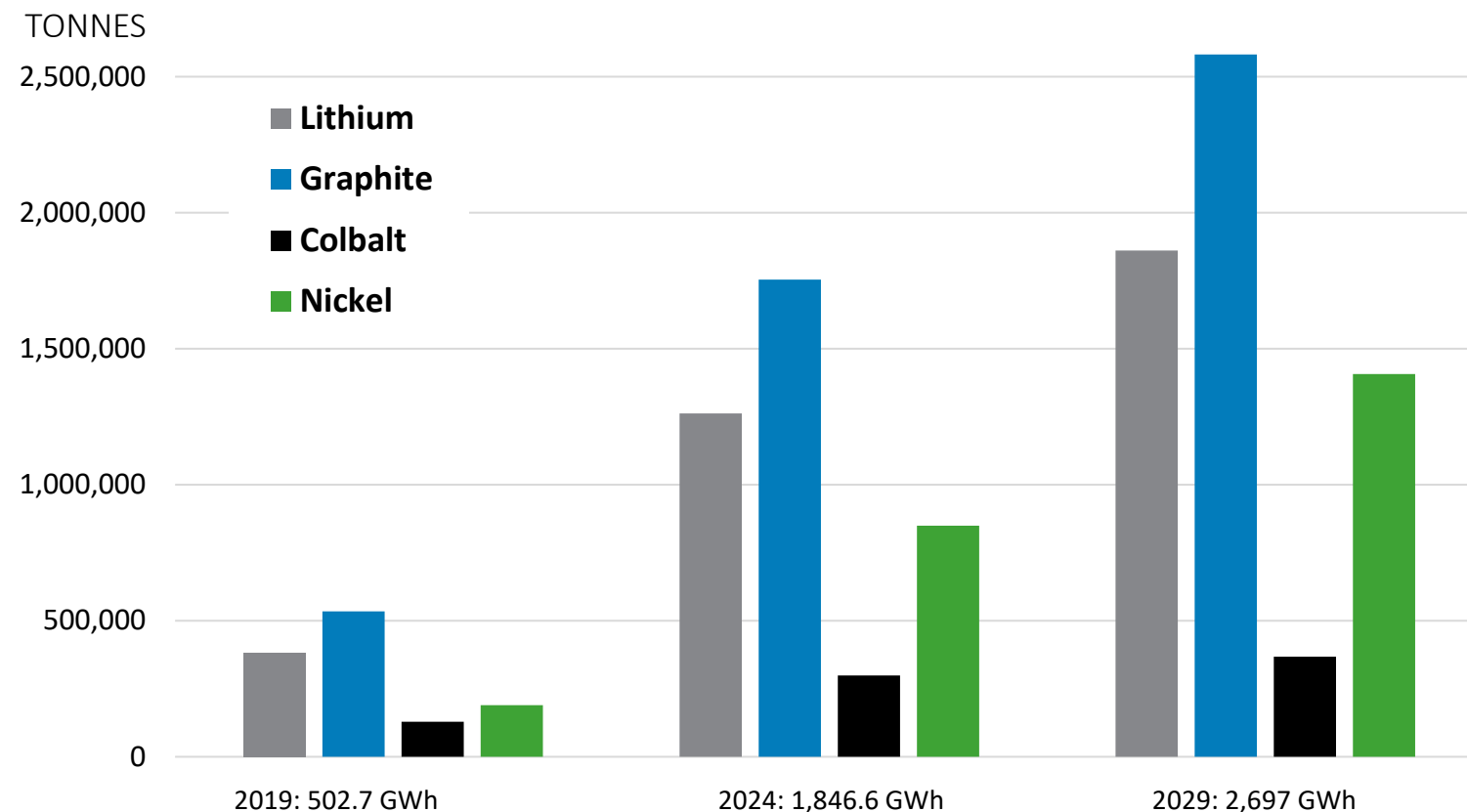
Source : Electric Royalties PPT June 2020



# GROWTH IN THE EV MARKET DRIVING GRAPHITE DEMAND



## RAW MATERIAL DEMAND VS GLOBAL LITHIUM ION CELL/MEGAFACTORY CAPACITY

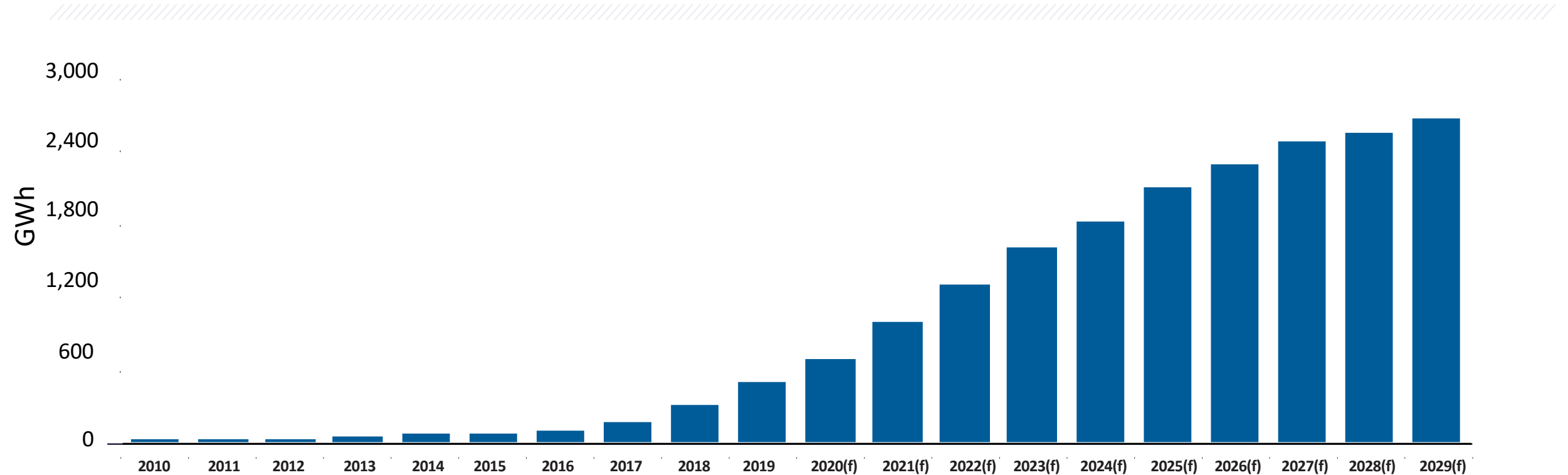


» Graphite demand to grow over **430%** by 2029

Source: Benchmark Minerals, August 2020



# + WORLD LITHIUM-ION MEGAFACTORY CAPACITY 2010-2029

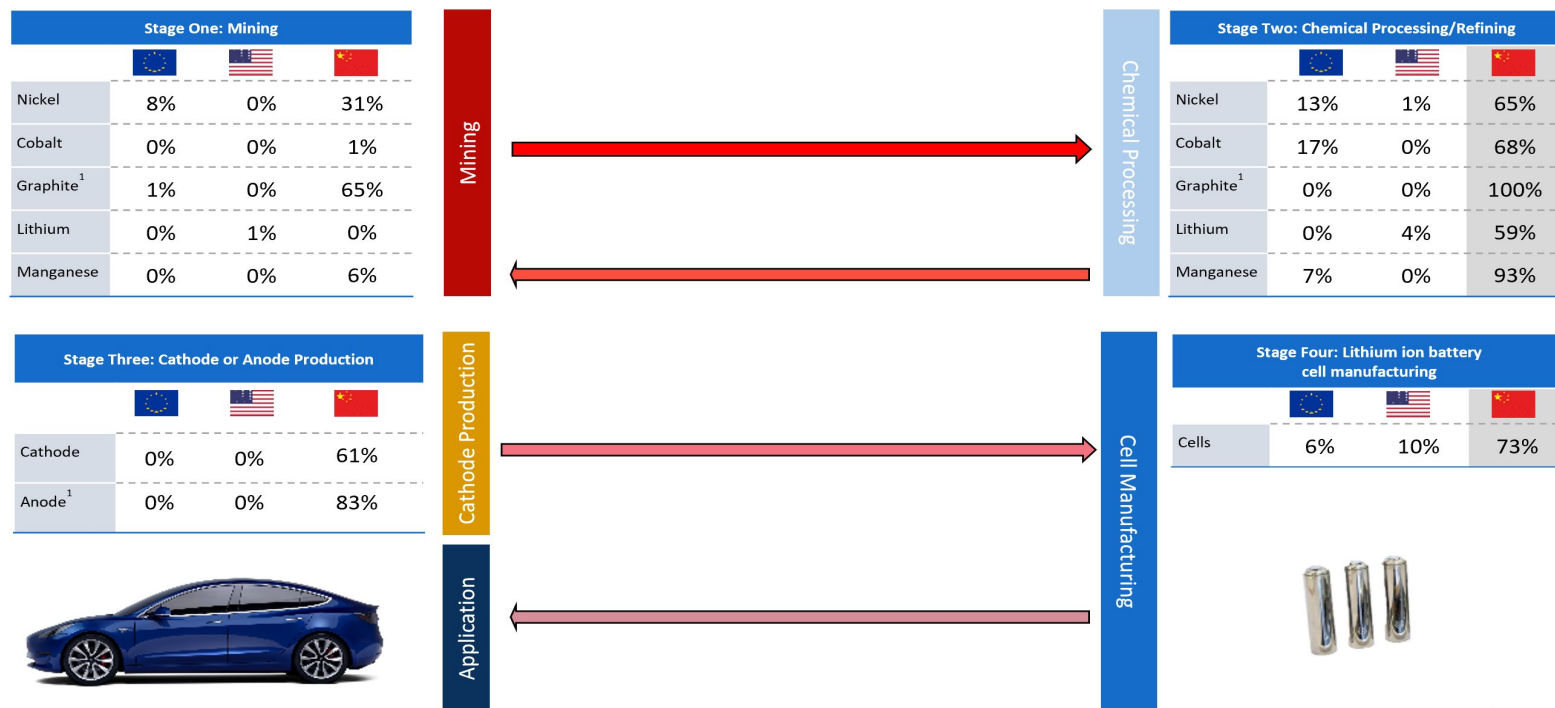


2,697 GWh: Li-Ion battery cell capacity by 2029  
167: Battery Megafactories in the pipeline to 2029

Source : Benchmark Minerals August 2020

# + RELIANCE ON CHINA IS NO LONGER FEASIBLE

China today exerts vast control over every step of the supply chain



US Government declares State of Emergency to establish a North American supply of graphite and other critical minerals.

... “on addressing the threat to the domestic supply chain from reliance on critical minerals from Foreign Adversaries, whose practices do not endorse and pursue appropriate minerals supply chain standards, leading to human rights violations, forced and child labor, violent conflict, and health and environmental damage.”

US President Donald J. Trump

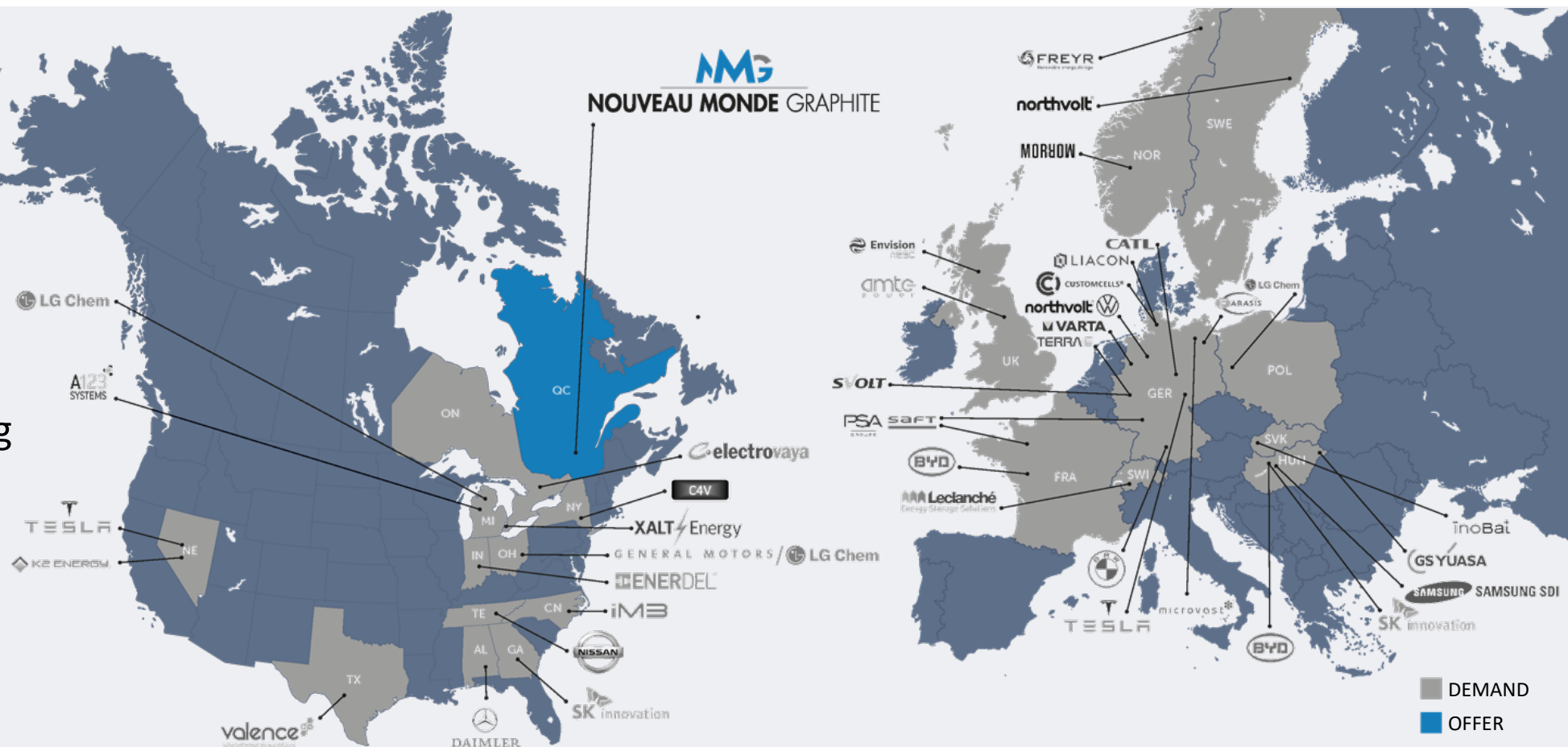
Source : <https://www.whitehouse.gov/presidential-actions/executive-order-addressing-threat-domestic-supply-chain-reliance-critical-minerals-foreign-adversaries/>

Source: Benchmark Minerals, November 2019



# + AT THE MARKET'S DOORSTEP

- » Exponential growth occurring outside of China
- » ~650 GWh of battery capacity being built in NA & Europe
- » NOU location enabling easy and multimodal logistics
  - By road, rails and/or seaway
- » Free trade agreements with 40+ countries



# + THE NEXT WAVE IS COMING: AUTOMAKERS POSITIONING THEMSELVES FOR FUTURE DEMAND

## RECENT HEADLINES:

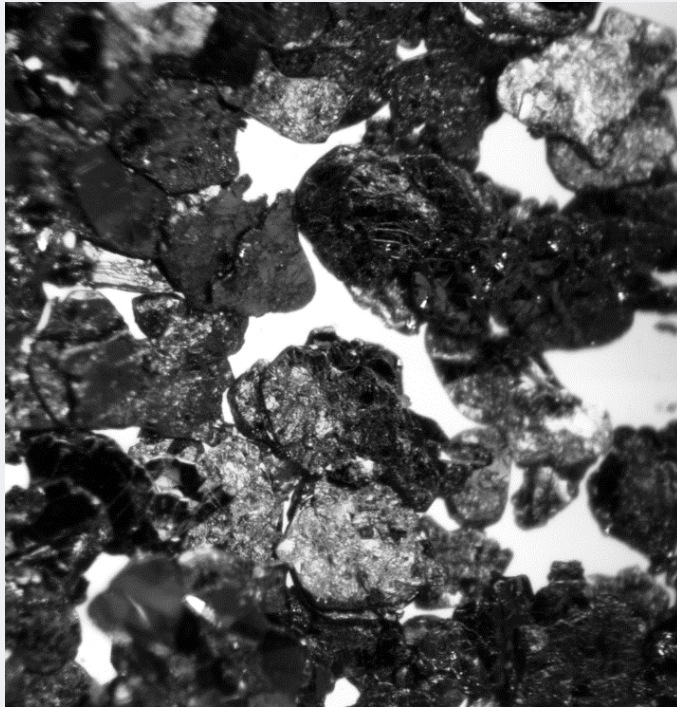
- **Tesla strikes deal to buy cobalt from Glencore ahead of future supply squeeze ...**The accord is in line with other recent contracts the trader-cum-miner has struck, including a four-year deal in February to supply as much as 21,000 tons to battery producer Samsung SDI Co. Ltd. Glencore last year agreed multi-year plans to sell about 30,000 tons of cobalt to SK Innovation Co. and at least 61,200 tons to China's GEM Co. BMW AG also agreed to buy cobalt directly from Glencore's Murrin Murrin mine in Australia.
- **BMW to buy cobalt direct from Australia, Morocco for EV batteries ...**The announcement came as the London Metal Exchange (LME) launched an initiative under which it could ban or delist brands that are not responsibly sourced by 2022 to help root out metal tainted by child labor or corruption....
- **Volkswagen invests €450 million in battery manufacturing joint venture with Northvolt ...**Some €450 million is to be invested in this project...Battery cell production at the plant is scheduled to commence in early 2024 with an initial production capacity of 16 gigawatt hours...In Europe alone, Volkswagen expects annual demand of over 150 gigawatt hours from 2025, with demand in Asia at a similar level.



# PROJECT FUNDAMENTALS

# ROBUST MATAWINIE PROJECT ECONOMICS

MINE & CONCENTRATOR



ECONOMIC HIGHLIGHTS	FEASIBILITY STUDY (October 2018)
Yearly Graphite Concentrate Production	100,000 tonnes
Pre-Tax NPV @ 8%	\$1,287M (\$US985M)
Post-Tax NPV @ 8%	\$751M (\$US575M)
Pre-Tax IRR	40.6 %
Post-Tax IRR	32.2 %
Life of Mine (LOM)	25.5 years
Pre-Tax Payback	2.2 years
Post-Tax Payback	2.6 years
Initial CAPEX	\$276M (\$US211M) (incl. 12.4% contingency)
Average Sales Price (first 5 years)	\$US1,532/tonne
Average Sales Price (LOM)	\$US1,730/tonne
OPEX	\$499(\$US382)/tonne

//////  
All \$ in CAD unless indicated otherwise / \*NMG results based on NI 43-101 Feasibility Study for the West Zone



# + MATAWINIE FLAKE PRODUCTS

PRODUCTS	DISTRIBUTION	GRADE	PRICE* (USD/t)	MARKETS
Jumbo (+48 mesh)	20%	96-99%	2,548\$	Expandable , Fuel Cell & Traditional
Large (+80 mesh)	32%	96-98%	1,643\$	Li-Ion Battery & Traditional
Medium (+150 mesh)	34%	95-98%	1,263\$	Li-Ion Battery & Traditional
Fines (-150 mesh)	10%	94-96%	1,065\$	Li-Ion Battery & Traditional

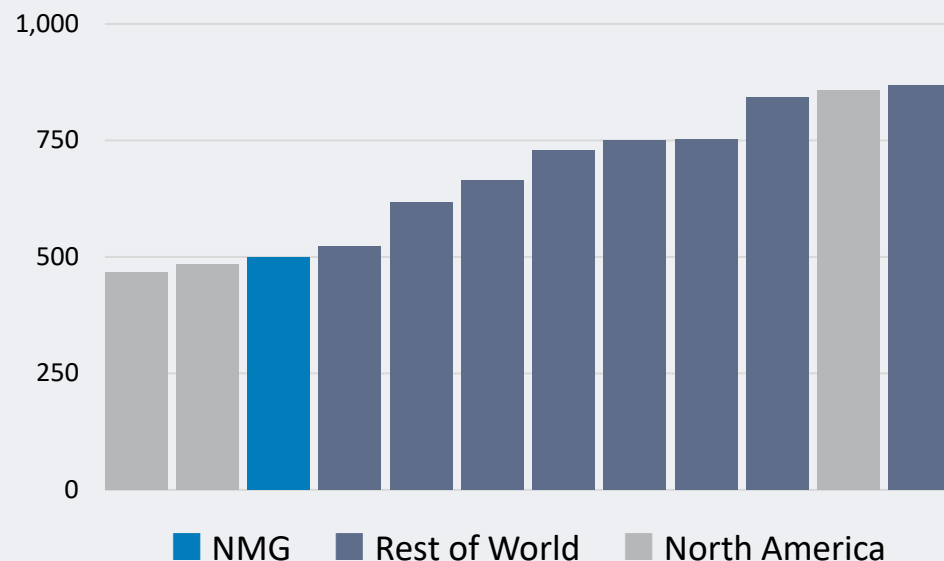
- » NMG concentrate suitable to tackle all markets
- » Graphite milling recovery of over 94%
- » Finished product concentrate purity over 97%
- » 100,000 tpy production of natural graphite flake
  - 40% destined to traditional markets
  - 60% destined to Value Added Products markets

• Source : 2018 Matawinie Market Study made by Benchmark Mineral Intelligence

# + **COMPETITIVE** PROJECT ON THE GLOBAL SCALE

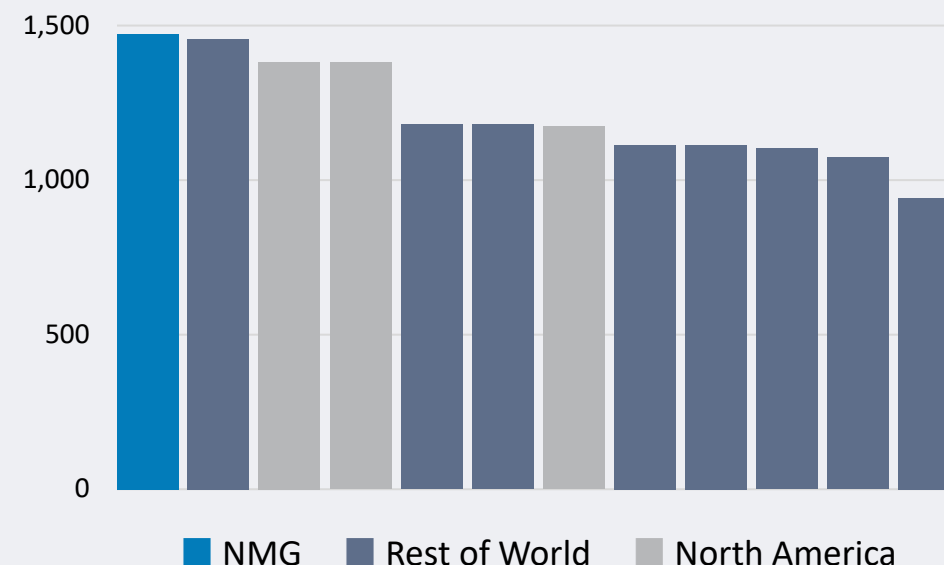
MINE & CONCENTRATOR

## C1 COST CURVE PER TONNE



» Low-cost producer

## EBITDA CURVE PER TONNE



» Best EBITDA margin per ton of all graphite projects on the planet

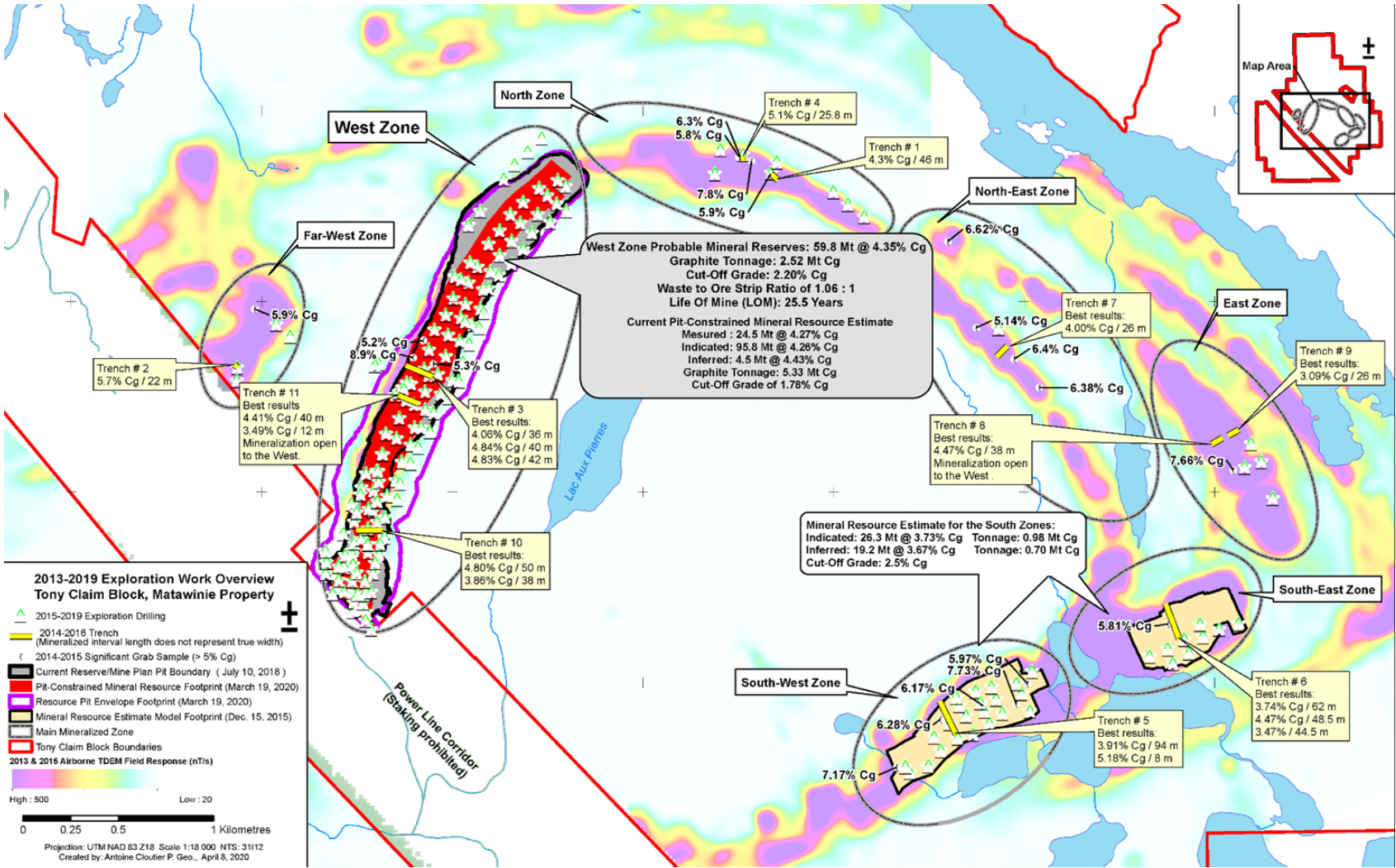
# MATAWINIE

## A LARGE NEAR-SURFACE RESOURCE

The resource contained in the West zone trench represents only a fraction of the total mineral reserve identified to date.






### MINERAL RESOURCE

Mesured	24.5 Mt
Indicated	95.8 Mt
	120.3 Mt
Current planned mineral reserve:	59.8 Mt





# + A VERTICALLY INTEGRATED BUSINESS MODEL TO MAXIMISE MARGINS AND MARKET AGILITY

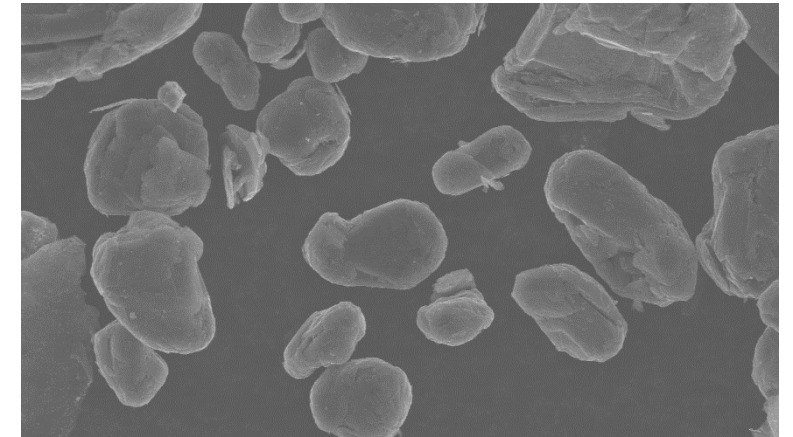
Value Chain	BTR	IMERYS	NMG
 Mining & concentrator	✓	✓	✓
 High purity graphite flakes +99.95%			✓
 Refractory	✓	✓	✓
 Speciality products	✓	✓	✓
 LiB anode material	✓		✓

NMG is currently the **ONLY COMPANY OUTSIDE OF CHINA** with the same business model as BTR, and is **UNIQUELY POSITIONED AT THE DOORSTEP OF THE EUROPEAN AND AMERICAN MARKETS**

# + DEMONSTRATION PLANT: SIGNIFICANTLY DE-RISKING THE PROJECT

- » Proven technologies built by experienced graphite operator
- » Micronization and spheronization of graphite tested and product certified “battery grade”

**PRE-QUALIFYING** our concentrate with customers  
**TRAINING WORKFORCE** for commercial operation  
Leveraging as a **R&D PLATFORM**





# BECANCOUR SPG PROJECT FOR LI-ION BATTERIES

- » Option secured on 200,000 m<sup>2</sup> of land next to railway & port
- » Designed for low-cost, large-scale operation
  - Potential to produce over 100,000 tpy
- » Heavy industry area with direct supply of required chemicals
- » Skilled labour
- » Unlimited low-cost, clean electricity





## + SHAREHOLDER VALUE DRIVERS – NEXT 9 TO 12 MTHS

- » Receipt of mining permit and construction of the commercial scale milling operation at SMDS.
- » Kick off construction of first purification module (secondary transformation).
- » Begin production of purified graphite by H2 2021.
- » Intensification of qualification of battery anode products by potential clients.
- » Kick off construction of commercial scale purification plant in Bécancour

**NOUVEAU MONDE WILL BE IN FULL OPERATION BY EARLY 2023, OFFERING THE ONLY FULLY-INTEGRATED GRAPHITE-BASED, CARBON-NEUTRAL, BATTERY ANODE PRODUCT LINE.**



## HEAD OFFICE

331 Brassard St.  
Saint-Michel-des-Saints, QC  
J0K 3B0 Canada



## NouveauMonde.ca

Facebook  
Twitter  
YouTube  
LinkedIn

[info@nouveaumonde.ca](mailto:info@nouveaumonde.ca)



## CONTACT

Christina Lalli  
Director, Investor Relations

+1 438 399-8665

[clalli@nouveaumonde.ca](mailto:clalli@nouveaumonde.ca)

