

Nouveau Monde Achieves 99.9% Graphite Purity

Nouveau Monde Mining Enterprises Inc. (TSXV: NOU) (“Nouveau Monde”) has garnered strong support from key institutional shareholders, including Desjardins – the largest association of credit unions in North America, Sodémex – a mining investment fund controlled by the Caisse de dépôts du Québec which is the second largest pension fund in Canada, FTQ – Québec’s largest central labour body, SIDEX – a major institutional fund established by the Government of Québec to invest in Québec mineral exploration companies, Matrix Advisors of New York City and Dundee Corporation of Toronto.

When considering the company’s Preliminary Economic Assessment (PEA) results, it is not hard to see why the company has managed to attract the big wigs of the investment community. The Matawinie graphite project showed a pre-tax NPV of \$403.7 million and IRR of 31.2%. With reasonable operating costs of \$660 per tonne of concentrate, and a mine-life of 25.7 years, the project promises revenue of \$2,430.9 million, with initial capital costs of \$144.5 million.

In addition, Matawinie is projected to have the lowest environmental footprint in the industry, in one of the most advanced mining friendly jurisdictions in the world in Québec, Canada. A local, environmentally friendly, and safe supply of natural graphite is now a priority for all North-American lithium-ion battery manufacturers and Nouveau have suitably positioned themselves to target the growing need for value-added graphite products necessary for the anode material.

In October 2016, Nouveau, along with four collaborators, announced the purchase of a micronising and spheronising mill in Tennessee, USA, that is being used to produce and optimise

the yield of spherical graphite from various mining projects. Refined spherical graphite yields are often around 30% due to heavy processing losses, **Nouveau et al have however reported attractive yields as high as 50% which is almost unprecedented.**

Numerous new sources of graphite will be required to meet the demand created by the growing electric car market. Tesla began producing lithium-ion batteries at their Nevada Gigafactory site in Q1 2016, and each battery will require up to 150kg of refined spherical graphite. The starter market alone could consume the production of two Gigafactories and it is more than plausible that up to four Gigafactory sites could be necessary in as little as five years, particularly if grid-energy storage were to take off.

Matawiniet's, PEA results shows an indicated resource of almost 2 million tonnes of graphite, or up to 1 million tonnes of SPG given their spheronising yields; Enough for around 720,000 Tesla Model 3 battery anodes.

Matawinie's metallurgy is a strong feature, boasting a high proportion of large and jumbo flakes from which a high purity concentrate has been extracted. On the 6th of December 2016, the company announced the successful purification of their graphite and spherical graphite products to grades of up to 99.9%, giving the green light to their value-added production ability.

As of the 1st November 2016, Nouveau Monde appointed Charles-Olivier Tarte, a former Imerys Financial Controller, as Chief Financial Officer. His experience includes overseeing the financial management of the Lac-des-Îles (QC) natural graphite mine, the Terrebonne (QC) second transformation plant & the Westlake (OH) Americas sales office and as such his knowledge of the graphite market can do nothing but strengthen the already first class team that Nouveau have worked hard to construct.