



Performance Materials

**NOTICE OF ANNUAL GENERAL MEETING
OF THE SHAREHOLDERS
OF
NEO PERFORMANCE MATERIALS INC.**

- and -

MANAGEMENT INFORMATION CIRCULAR

**NEO PERFORMANCE MATERIALS INC.
121 KING STREET WEST, SUITE 1740
TORONTO, ONTARIO
CANADA**

**TUESDAY, JUNE 28, 2022
4:00 P.M. (TORONTO TIME)**

Circular dated May 16, 2022

**NEO PERFORMANCE MATERIALS INC.
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general meeting (the "**Meeting**") of shareholders ("**Shareholders**") of Neo Performance Materials Inc. (the "**Corporation**") will be held at the offices of Neo Performance Materials Inc., 121 King Street West, Suite 1740, Toronto, Ontario, on Tuesday, June 28, 2022 at 4:00 p.m. (Toronto time) for the following purposes:

1. to receive the annual report and the financial statements for the year ended December 31, 2021 and the report of the auditors thereon;
2. to elect directors;
3. to re-appoint auditors and to authorize the directors to fix their remuneration; and
4. to transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

This year, as described in the notice and access notification mailed to shareholders of the Corporation, the Corporation has decided to deliver the Meeting materials to shareholders by posting the Meeting materials on the following website: www.neomaterials.com (the "**Website**"). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Corporation's printing and mailing costs. The Meeting materials will be available on the Website on May 27, 2022, and will remain on the Website for one full year thereafter. The Meeting materials will also be available on SEDAR at www.sedar.com.

No shareholders will receive paper copies of the Meeting materials unless they specifically request paper copies. Instead all shareholders will receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. If you wish to receive a paper copy of the Meeting materials or have questions about notice-and-access please call the Corporation's transfer agent, Computershare Trust Company of Canada. In order to receive a paper copy in time to vote before the Meeting, your request should be received by June 17, 2022.

A form of proxy solicited by management of the Corporation in respect of the Meeting is enclosed herewith.

The Corporation is actively monitoring the ongoing COVID-19 situation and is sensitive to public health concerns. The Corporation will be restricting physical access to the Meeting and only registered shareholders and formally appointed proxyholders will be allowed to attend. The Corporation strongly encourages registered shareholders and proxyholders to vote using one of the methods described in the accompanying management information circular. To further mitigate the risk of the spread of the virus, the Meeting will be audio-cast live at 4:00 p.m. (Toronto time) on June 28, 2022 and can be accessed by conference call at (647) 794-4605 (Toronto local) or 1 (888) 204-4368 (toll free), participant code: 9495550#. This call will be listen-only and shareholders will not be able to vote or speak at, or otherwise participate in the Meeting via the conference call.

Given the on-going pandemic, the Corporation's board of directors and auditors do not plan to attend the Meeting in person. Management will not be making an investor presentation at the Meeting. Management recently hosted a conference call to discuss the first quarter financial results and shareholders are invited to listen to a recording of this quarterly call which is available via internet at www.neomaterials.com/investors/ or by calling (647) 436-0148 (Toronto local) or 1 (888) 203-1112 (toll free long distance) and entering pass code 3171025#. Call in information for the second quarter financial results conference call will be released in early August 2022.

Shareholders are requested to sign the enclosed form of proxy and return it in the envelope provided for that purpose. To be effective, the form of proxy must be received at the offices of Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1 or via internet at www.investorvote.com or by telephone at the toll-free number printed on the form of proxy **by not later than 4:00 p.m. (Toronto time) on Friday, June 24, 2022** or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays or holidays, preceding the time of such adjourned Meeting, or in either case by such later date and time as the Board may determine

in its sole discretion. The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting.

DATED this 16th day of May, 2022.

By Order of the Board

/s/ "Claire M.C. Kennedy"

Chair of the Board of Directors

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NEO PERFORMANCE MATERIALS INC. MANAGEMENT INFORMATION CIRCULAR

This Information Circular is furnished to Shareholders in connection with the solicitation of proxies by the management of the Corporation for use at the Meeting and any adjournment or adjournments thereof.

Unless otherwise noted or the context otherwise requires, all information provided in this Information Circular is given as of May 16, 2022 and references to the "Corporation" refer to Neo Performance Materials Inc., its direct and indirect subsidiaries and other entities controlled by them. Unless otherwise indicated, all dollar amounts in this Information Circular are expressed in U.S. dollars. The word "dollar" and the symbol "\$" or "U.S.\$" refer to the U.S. dollar and the symbol "C\$" refers to the Canadian dollar.

No person is authorized to give any information or to make any representation not contained in this Information Circular, and if given or made, such information or representation should not be relied upon as having been authorized. This Information Circular does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation of any offer or proxy solicitation. Neither delivery of this Information Circular nor any distribution of the securities referred to in this Information Circular shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Information Circular.

Forward Looking Information

Certain statements in the Information Circular constitute "forward-looking information. The words "scheduled", "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking information.

Forward-looking information is based on estimates and assumptions made by the Corporation in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Corporation believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct or that the Corporation's business guidance, objectives, plans and strategic priorities will be achieved.

Many factors could cause the Corporation's actual results or affairs to materially differ from those expressed or implied by the forward-looking information, including, without limitation, the factors discussed in the "Risk Factors" section of the Corporation's Annual Information Form dated March 9, 2022 for the year ended December 31, 2021, which is incorporated by reference in this cautionary statement. Although these factors are not intended to represent a complete

list of factors that could affect the Corporation, they should be considered carefully. The forward-looking information contained in this Information Circular is made as of the date of this Information Circular, and the Corporation has no intention and undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities regulations. The forward-looking information contained in this Information Circular are expressly qualified by this cautionary statement. We caution readers not to rely on the forward-looking information contained in this Information Circular when making investment decisions regarding the Corporation's securities.

PART I GENERAL PROXY MATERIALS

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation by and on behalf of the management of the Corporation of proxies to be used at the Meeting to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting, and at any adjournment(s) or postponement(s) thereof. In addition to solicitation by mail, certain officers, directors, employees and service providers of the Corporation may solicit proxies by telephone, electronic mail, telecopier or personally. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of solicitation by management will be borne directly by the Corporation. The registered office of the Corporation is located at Suite 1740, 121 King Street West, Toronto, Ontario, M5H 3T9.

ADVICE TO BENEFICIAL HOLDERS

The information set forth in this section is of significant importance to many public Shareholders as a substantial number of the public Shareholders do not hold Common Shares in their own names. Shareholders who do not hold their Common Shares in their own names (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of the shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Corporation may not know for whose benefit the Common Shares registered in the name of a broker or intermediary are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**"). Broadridge typically applies a decal to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy with a Broadridge decal on it cannot use that proxy to vote shares directly at the Meeting. **The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.**

Since the Corporation may not have access to the names of its non-registered Shareholders, if a Beneficial Shareholder attends the Meeting, the Corporation will have no record of the Beneficial Shareholder's shareholdings or of its entitlement to vote unless the Beneficial Shareholder's nominee has appointed the Beneficial Shareholder as

proxyholder. Therefore, a Beneficial Shareholder who wishes to vote in person at the Meeting must insert its own name in the space provided on the voting instruction form sent to the Beneficial Shareholder by its nominee, and sign and return the voting instruction form by following the signing and returning instructions provided by its nominee. By doing so, the Beneficial Shareholder will be instructing its nominee to appoint the Beneficial Shareholder as proxyholder. The Beneficial Shareholder should not otherwise complete the voting instruction form as its vote will be taken at the Meeting.

ADVICE TO REGISTERED HOLDERS

A registered holder of Common Shares can vote their Common Shares in person at the Meeting or by proxy. A registered holder who does not wish to attend the Meeting or does not wish to vote in person should submit their form of proxy. Registered holders who wish to vote in person at the Meeting are encouraged to vote by submitting a proxy. Voting by proxy will not prevent a registered holder from voting in person if they attend the Meeting and duly revoke their previously granted proxy, but will ensure that their vote is counted if they are unable to attend the Meeting.

The Common Shares represented by the accompanying form of proxy (if the same is properly executed in favour of Constantine E. Karayannopoulos or Alexander D. Caldwell, the management nominees, and is received at the offices of Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1 or via internet at www.investorvote.com or by telephone at the toll-free number printed on the form of proxy, **by not later than 4:00 p.m. (Toronto time) on Friday, June 24, 2022** or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays or holidays, preceding the time of such adjourned Meeting, or in either case by such later date and time as the Board may determine in its sole discretion) will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted in accordance with the specification made. **In the absence of such a specification, such Common Shares will be voted in favour of such matter.**

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters set forth in the accompanying notice of Meeting, or all other business or matters that may properly come before the Meeting. At the date hereof, management of the Corporation knows of no such amendments, variations or other business or matters to come before the Meeting.

NOTICE AND ACCESS

This year, as described in the notice and access notification mailed to shareholders of the Corporation, the Corporation has decided to deliver the Meeting materials to shareholders by posting the Meeting materials on the following website: www.neomaterials.com (the "**Website**"). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Corporation's printing and mailing costs. The Meeting materials will be available on the Website on May 27, 2022, and will remain on the Website for one full year thereafter. The Meeting materials will also be available on SEDAR at www.sedar.com.

No shareholders will receive paper copies of the Meeting materials unless they specifically request paper copies. Instead all shareholders will receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting. If you wish to receive a paper copy of the Meeting materials or have questions about notice-and-access please call the Corporation's transfer agent, Computershare Trust Company of Canada. In order to receive a paper copy in time to vote before the Meeting, your request should be received by June 17, 2022.

The Corporation will not send its proxy-related materials directly to non-objecting beneficial owners under National Instrument 54-101.

COVID-19 PROTOCOLS

The Corporation is actively monitoring the ongoing COVID-19 situation and is sensitive to public health concerns. The Corporation will be restricting physical access to the Meeting and only registered shareholders and formally appointed proxyholders will be allowed to attend. The Corporation strongly encourages registered shareholders and proxyholders vote using one of the methods described in the accompanying management information circular. To further mitigate the risk of the spread of the virus, the Meeting will be audio-cast live at 4:00 p.m. (Toronto time) on

June 28, 2022 and can be accessed by conference call at (647) 794-4605 (Toronto local) or 1 (888) 204-4368 (toll free), participant code: 9495550#. This call will be listen-only and shareholders will not be able to vote or speak at, or otherwise participate in the Meeting via the conference call.

Given the on-going pandemic, the Corporation's board of directors and auditors do not plan to attend the Meeting in person. Management will not be making an investor presentation at the Meeting. Management recently hosted a conference call to discuss the first quarter financial results and shareholders are invited to listen to a recording of this quarterly call which is available via internet at www.neomaterials.com/investors/ or by calling (647) 436-0148 (Toronto local) or 1 (888) 203-1112 (toll free long distance) and entering pass code 3171025#. Call in information for the second quarter financial results conference call will be released in early August 2022.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy are a director and officer of the Corporation and an officer of the Corporation, respectively. **A shareholder desiring to appoint some other person to represent him or her at the Meeting may do so either by inserting such person's name in the blank space provided in the accompanying form of proxy and striking out the names of the management nominees or by duly completing another proper form of proxy and, in either case, depositing the completed proxy at the offices of the Corporation's registrar and transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1 or via internet at www.investorvote.com or by telephone at the toll-free number printed on the form of proxy before the specified time described in the previous section.**

A Shareholder giving a proxy has the power to revoke it. Such revocation may be made by the Shareholder attending the Meeting by fully executing another form of proxy bearing a later date and duly depositing the same before the specified time, or by written instrument revoking such proxy duly executed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or by an officer or attorney thereof, duly authorized, and deposited either at the registered office of the Corporation or its registrar and transfer agent at any time up to and including the last Business Day preceding the date of the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof or in any other manner permitted by law. Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Corporation consists of an unlimited number of preferred shares and an unlimited number of Common Shares without nominal or par value, of which 40,681,902 Common Shares were issued and outstanding as at the date of this Information Circular.

Each Shareholder is entitled to one vote for each Common Share shown as registered in his or her name on the list of Shareholders, which will be available for inspection at the Meeting. The directors have fixed May 16, 2022 as the record date for the Meeting. Accordingly, pursuant to the OBCA, only Shareholders of record as at the close of business on May 16, 2022 are entitled to receive notice of and to attend and vote at the Meeting.

To the knowledge of the directors and officers of the Corporation, as of the date of this Information Circular, no person beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the votes attached to Common Shares, except for the following:

Name	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held
OPPS NPM S.a.r.l	9,878,155	24.3%
Mawer Investment Management Ltd.	5,148,845	12.7%

**PART II
MATTERS TO BE ACTED UPON**

1. ELECTION OF DIRECTORS

Directors of the Corporation are elected annually by the Shareholders and will hold office until the next annual general meeting of shareholders. The Articles of the Corporation provide that the number of directors to be elected shall be a minimum of three and a maximum of 15. A Board of seven directors is to be elected at the Meeting.

It is intended that the persons named in the accompanying form of proxy will vote the Common Shares represented thereby in favour of electing as directors the nominees named below. Unless such authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted in favour of the nominees set out below.

The term of office of all present directors of the Corporation expires at the Meeting. Management has been informed by each nominee that he/she is willing to stand for election or re-election, as applicable, and serve as a director. Each of the directors will be elected on an individual basis. The information as to Common Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective parties.

In the absence of instructions to the contrary, the Common Shares represented by a properly executed form of proxy in favour of the persons designated by management of the Corporation will be voted FOR the election as directors of the nominees whose names are set forth below.

The Board has adopted a Majority Voting Policy which requires that any nominees who receive a greater number of votes withheld from his or her election than votes for such election, to promptly tender his or her resignation to the Board to be effective on the acceptance by the Board. Following receipt of the resignation, the Board will consider whether or not to accept the offer of resignation, and will do so absent exceptional circumstances. Within 90 days following the Meeting, the Board shall publicly disclose its decision whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board at which the resignation is considered. This policy does not apply in circumstances involving contested director elections.

The following information is submitted with respect to the nominees for directors:

CLAIRE M.C. KENNEDY
Toronto, Ontario, Canada

Chair of the Board
Chair, Corporate Governance
and Nominating Committee
Member, Audit Committee
Member, Compensation
Committee
Member, HESS Committee

Ms. Kennedy has been a director of Neo since October 2017. Ms. Kennedy was a member of the board of directors of NEM from February 2010 to June 2012 and served on the Audit Committee. Ms. Kennedy was a Partner in the Toronto office of Bennett Jones LLP from 2009. In 2019, she became Senior Advisor, Clients and Industries. Ms. Kennedy is Lead Director of the Bank of Canada. She is also a director of Alamos Gold Inc., which is listed on the TSX and NYSE, and serves as Audit Committee Chair. Claire received her ICD.D designation from the Institute of Corporate Directors and she has completed the Making Corporate Boards More Effective program at Harvard Business School and the Advanced Management Program at the University of Chicago's Booth School of Business. She is a Professional Engineer and holds a Bachelor of Laws degree from Queen's University and a Bachelor of Applied Science degree in Chemical Engineering from the University of Toronto. Claire is past Chair of the Governing Council of the University of Toronto and is a member of the Dean's Advisory Board at Rotman.

Director since October 2017

Independent

Shares held: 4,150

	Board/Committees	Attendance	
		2021	2022
	<ul style="list-style-type: none"> • Board of Directors • Audit Committee • Compensation Committee • HESS Committee • Corporate Governance and Nominating Committee 	8 of 8 4 of 4 7 of 7 4 of 4 2 of 2	2 of 2 2 of 2 2 of 2 2 of 2 nil

ERIC NOYREZ
Bidart, France
Lead Independent Director
Chair, Compensation Committee
Member, Audit Committee
Chair, HESS Committee
Director since October 2017

Mr. Noyrez has been an independent and Lead Director of Neo since October 2017, and prior to which he was an independent director of Neo C&O since August 31, 2016. In October 2018, he was appointed the Chief Executive Officer of Serra Verde Mineracao, a company aiming at developing and producing a rare earths concentrate. Since 2014, he shares his business activities as a board member and advisor. From February 2010 to June 2014, he served successive roles from Chief Operating Officer to Director and Chief Executive Officer at Lynas Corporation, an integrated rare earth mining and separation company. Prior to Lynas, he served as President of the SILCEA division of Rhodia (named Solvay S.A. now) and before 2000, spent 11 years in different business leadership roles at Shell. Eric started his career as an automotive designer at Peugeot-Citroën. He holds a Master's Degree in Engineering (Meng) from École des Mines de Douai, France.

	Board/Committees	Attendance	
		2021	2022
Independent Shares held: 18,715	<ul style="list-style-type: none"> • Board of Directors • Audit Committee • Compensation Committee • HESS Committee 	8 of 8 4 of 7 7 of 7 4 of 4	2 of 2 2 of 2 2 of 2 2 of 2

CONSTANTINE E. KARAYANNOPOULOS
Toronto, Ontario, Canada
President and Chief Executive Officer and Director
Member, HESS Committee
Director since October 2017

Mr. Karayannopoulos was appointed Neo's President and Chief Executive Officer in July 2020. He is also a Director and serves on the Health, Environment, Safety and Sustainability (HESS) Committee. He has worked in senior executive positions at Neo and its predecessor companies for more than 20 years, including as Director, President, and Chief Executive Officer of NEM (TSX:NEM) from 2005 until NEM was acquired in June 2012 for US \$1.3 billion. Mr. Karayannopoulos also served as non-executive Chairman of the Board of Neo Lithium Corp., from 2016 until January 2022. He is also a director of the board of the Canada China Business Council, and a member of the Board of Advisors of the University of Toronto's Department of Chemical Engineering and Applied Chemistry. He holds Bachelor's and Masters' of Applied Science degrees in Chemical Engineering from the University of Toronto.

	Board/Committees	Attendance	
		2021	2022
Non-independent Shares held: 28,250	<ul style="list-style-type: none"> • Board of Directors • HESS Committee 	8 of 8 4 of 4	2 of 2 2 of 2

BROOK HINCHMAN
Santa Monica, California, U.S.A

Director
Member, Corporate Governance
and Nominating Committee

Director since October 2017

Independent⁽²⁾

Shares held: Nil

Mr. Hinchman has been a director of Neo since October 2017, prior to which he was a director of Neo C&O since August 31, 2016. Mr. Hinchman, Managing Director and Co-Head of North America for Oaktree's Global Opportunities strategy, leads the group's investing efforts across a number of industries in the region. He also serves on Oaktree's Environmental, Social, and Governance committee. Mr. Hinchman is responsible for sourcing, underwriting, and executing publicly traded and private investments. During his tenure, Mr. Hinchman has had primary coverage responsibility for a significant number of sectors, including the technology, industrial, energy and financial services industries. He has served on a number of public and private boards, including Montrose Environmental, Aludyne, Genesis Capital, Neo Performance Materials, and Aleris International. Prior to joining Oaktree in 2010, Mr. Hinchman spent four years at Goldman, Sachs & Co., most recently in the Merchant Banking division, where he focused on private equity investments.

Board/Committees	Attendance	
	2021	2022

- | | | |
|---|--------|--------|
| • Board of Directors | 7 of 8 | 2 of 2 |
| • Compensation Committee | 1 of 1 | 2 of 2 |
| • Corporate Governance and Nominating Committee | 2 of 2 | nil |

G. GAIL EDWARDS
Toronto, Ontario
Canada

Director
Chair, Audit Committee

Director since June 2019

Independent

Shares held: Nil

Gail Edwards has been a director of Neo since June 2019 and is Chair of the Audit Committee. She is a C-suite financial and real estate executive who is currently a director of Amica Senior Lifestyles and Chair of the Audit Committee. Ms. Edwards is also a member of the Real Estate Advisory Committee (REAC) for OP Trust, which manages one of Canada's largest pension funds, and a member of the REAC of the New York State Common Retirement Fund which manages funds in excess of US\$250 billion. Ms. Edwards has held executive management positions with the Minto Group, JH Investments Inc., a New York based real estate developer, a NYSE listed entertainment company, a U.S. based global food service and hospitality company and a Canadian banking institution. Ms. Edwards has her ICD.D designation and is a Canadian Chartered Accountant holding a Bachelor of Science degree in Mathematics from the University of Western Ontario.

Board/Committees	Attendance	
	2021	2022

- | | | |
|----------------------|--------|--------|
| • Board of Directors | 8 of 8 | 2 of 2 |
| • Audit Committee | 4 of 4 | 2 of 2 |

EDGAR LEE
Hunts Point, Washington, U.S.A.

Director
Member, Compensation
Committee
Member, Corporate Governance
and Nominating Committee

Director since October 2017

Independent

Shares held: Nil

Mr. Lee has been a director of Neo since October 2017, and prior to which he was a director of Neo C&O since August 31, 2016. He is a private investor and has over 20 years of finance, mergers and acquisition and capital markets experience. Previously, Mr. Lee founded and was the portfolio manager of Oaktree's \$6 billion Strategic Credit strategy until December 2019. He was also the CEO and CIO of Oaktree's three business development companies (BDCs) including Oaktree Specialty Lending and Oaktree Strategic Income Corporations. Prior to founding the strategy, he was a senior investment professional within the firm's Opportunities Funds group. Before joining Oaktree, Mr. Lee worked within the Investment Banking division at UBS Investment Bank in Los Angeles, where he was responsible for advising clients on equity and debt financings and mergers and acquisitions. Prior experience includes work at Lehman Brothers Inc., Katzenbach Partners LLP and the Urban Institute. He received a B.A. degree in economics from Swarthmore College and his master's degree from Harvard University.

	Board/Committees	Attendance	
		2021	2022
	<ul style="list-style-type: none"> Board of Directors Corporate Governance and Nominating Committee Compensation Committee 	8 of 8 2 of 2 6 of 6	2 of 2 2 of 2 2 of 2

GREGORY (GREG) SHARE Greenwich, Connecticut, U.S.A.	Mr. Share has been a director of Neo since July 2020 and is a seasoned manager and investment professional with extensive experience working with companies in a broad range of industries and at different stages of their development. He currently serves as a Managing Director for the Opportunities Funds within Oaktree Capital Management L.P. since January 2021. He is also Chairman of Ambina Partners LLC, a director of, and chairperson of the Compensation, Nominating and Corporate Governance Committee of Kinsale Capital Group and has served on several public and private company boards. He was Managing Partner of Ambina Partners LLC, an investment firm focused on investing in financial services and software companies from March 2015 to December 2020. Mr. Share also has over twenty years of private equity experience in the U.S. and Europe, which included leadership positions at Moelis Capital Partners LLC, Fortress Investment Group LLC and Madison Dearborn Partners, LLC. He began his career in investment banking and private equity at Lazard Freres & Co., LLC. Mr. Share holds a Bachelor of Science in Economics from the Wharton School, University of Pennsylvania and is also a Board Leadership Fellow of the National Association of Corporate Directors (NACD) and a CFA Charterholder.
<i>Director</i>	
<i>Member, Compensation Committee</i>	
Director since July 2020	
Independent ⁽²⁾	
Shares held: Nil	

	Board/Committees	Attendance	
		2021	2022
	<ul style="list-style-type: none"> Board of Directors Compensation Committee 	8 of 8 5 of 6	2 of 2 2 of 2

Notes:

- (1) The information as to Common Shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective parties.
- (2) These directors are independent in accordance with the definition set out in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. However, for the purposes of National Instrument 52-110 – *Audit Committees*, these directors would not be considered independent in relation to the Audit Committee as a result of their role as officers of Oaktree Capital Management L.P., an affiliate of the largest shareholder of the Corporation.
- (3) Mr. Hinchman resigned from the Compensation Committee in March 2021.
- (4) Messrs. Lee and Share joined the Compensation Committee in March 2021.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

Other than as set out below, no proposed director of the Corporation is, as at the date of this Information Circular, or was within the 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation), that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the preceding disclosure, an "order" means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for more than 30 days.

Constantine Karayannopoulos was a director of Molycorp, the predecessor company to the Corporation when Molycorp's common shares were delisted from the New York Stock Exchange in connection with the Reorganization.

Bankruptcies

Other than as set out below, no proposed director of the Corporation:

- (a) is, at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise within creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or
- (b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold assets of the director, executive officer or shareholder.

Constantine Karayannopoulos was a director of Molycorp Inc., the predecessor company to the Corporation, when Molycorp Inc. underwent the Reorganization.

Brook Hinchman and Gregory Share are, and Edgar Lee was, an officer of Oaktree Capital Management L.P. ("**Oaktree Capital Management**"). A principal focus of Oaktree Capital Management's investing activities is in the debt of financially stressed or distressed companies and to take an active role in the bankruptcy process, often emerging with equity of the reorganized company. While Oaktree Capital Management does not typically become a control person of the issuer or join the board of directors of the issuer until after it has emerged from bankruptcy, Oaktree Capital Management may sign a restructuring support agreement or make arrangements with other creditors during the bankruptcy process with respect to the debt it holds.

Penalties and Sanctions

Other than as set out below, no proposed director of the Corporation has been subject to:

- (a) any penalty or sanction imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalty or sanction imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Brook Hinchman and Gregory Share are each, and Edgar Lee was, an officer of Oaktree Capital Management. A principal focus of Oaktree Capital Management's investing activities is in the debt of financially stressed or distressed companies and to take an active role in the bankruptcy process, often emerging with equity of the reorganized company. As such, Oaktree and its officers are often subject to litigation that arises in the ordinary course of its business of investing in distressed debt and special situation funds.

Conflicts of Interest

Certain of the directors and officers of the Corporation are also directors and officers of other companies. The directors of the Corporation are bound by the provisions of applicable corporate law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests, which they may have in any project or

opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board, any director in a conflict is required to disclose his or her interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

2. RE-APPOINTMENT OF AUDITORS

The management of the Corporation recommends the re-appointment of KPMG LLP Chartered Accountants, as auditors of the Corporation. KPMG LLP have been the auditors for the Corporation since the Corporation was incorporated in September 2017. Unless such authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted in favour of the re-appointment of KPMG LLP Chartered Accountants as auditors of the Corporation to hold office until the next annual meeting of shareholders and authorizing the directors of the Corporation to fix their remuneration.

This resolution requires the approval of a simple majority of the votes cast at the Meeting, in person or by proxy, in order to be approved.

In the absence of instructions to the contrary, the Common Shares represented by a properly executed form of proxy in favour of the persons designated by management of the Corporation will be voted FOR the re-appointment of KPMG LLP Chartered Accountants as auditors of the Corporation.

PART III ADDITIONAL DISCLOSURE

STATEMENT OF EXECUTIVE COMPENSATION

Securities laws require that a "Statement of Executive Compensation" in accordance with Form 51-102F6 be included in this Information Circular. Form 51-102F6 prescribes the disclosure requirements in respect of the compensation of executive officers and directors of reporting issuers. Form 51-102F6 provides that compensation disclosure must be provided for the Chief Executive Officer and the Chief Financial Officer of an issuer and each of the issuer's three mostly highly compensated executive officers whose total compensation exceeds C\$150,000. Based on these requirements, the executive officers of the Corporation for whom disclosure is required under Form 51-102F6 are Mr. Constantine E. Karayannopoulos (the Chief Executive Officer and President), Mr. Rahim Suleman (Chief Financial Officer), Mr. Kevin Morris, Mr. Jeff Hogan and Mr. Greg Kroll (collectively referred to as "**Named Executive Officers**").

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Philosophy and Objectives

Overview

The Board, upon recommendation of the Compensation Committee, makes decisions regarding all forms of compensation, including salaries, bonuses and equity incentive compensation for the Corporation's executive officers. The Compensation Committee makes recommendations to the Board regarding compensation of the President and Chief Executive Officer and makes decisions in conjunction with feedback from the President and Chief Executive Officer regarding the compensation of the Corporation's other executive officers. The Compensation Committee, in consultation with the President and Chief Executive Officer, also administers employee incentive compensation, including equity-based compensation plans.

Compensation Committee

The Compensation Committee is comprised of four directors, none of whom are officers of the Corporation and, as such, the Board believes that the Compensation Committee is able to conduct its activities in an objective manner. See "*Corporate Governance – Compensation Committee*".

For additional details regarding the relevant education and experience of each member of the Compensation Committee, including the direct experience that is relevant to each committee member's responsibilities in executive compensation, see "*Directors and Executive Officers – Biographies*".

The Board has adopted a written mandate setting forth the purpose, composition, authority and responsibility of the Compensation Committee. The primary responsibilities and duties of the Compensation Committee, include, but are not limited to:

- discharging the Board's responsibilities relating to the compensation of the Corporation's executive officers;
- administering the Corporation's incentive compensation and equity-based compensation plans; and
- assisting the Board with respect to management succession and development.

The Compensation Committee reviews and makes recommendations to the Board on an annual basis regarding: (i) company-wide compensation programs and practices; (ii) all aspects of the remuneration of the Corporation's executive officers; and (iii) equity-based plans and any material amendments thereto.

Compensation Objectives

The objectives of the Corporation's executive compensation arrangements, the Corporation's executive compensation philosophy and the application of this philosophy to the Corporation's executive compensation arrangements as well as those relating to compensation of directors is set out below. When determining the compensation arrangements for the Named Executive Officers, the Compensation Committee expects to consider the objectives of: (i) retaining an executive critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and the Corporation's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

Compensation Consulting Services

Under its mandate, the Compensation Committee has the authority to retain, and did retain in 2021, the services of executive compensation consultants to provide independent advice on executive compensation and related governance issues. The Compensation Committee also have the authority to determine and pay the fees of such consultants. All compensation and non-compensation services provided by such independent advisors, consultants and experts to the Corporation must be pre-approved by the Compensation Committee or its chair.

In March 2021, the Corporation engaged Korn Ferry, as executive compensation advisor, to provide expertise and advise in connection with a comprehensive review of the compensation of the Corporation's executives, including the Named Executive Officers. As part of its engagement, Korn Ferry reviewed a peer group of 15 companies, the assessment of the Corporation's positioning within the peer group in terms of compensation levels and mix and a review of the Corporation's compensation programs. The peer group is comprised of publicly traded companies in Canada, the United States, the United Kingdom and Switzerland (recognizing the absence of direct comparators in Canada) having a revenue range both above and below the Corporation's. Some of the other factors considered in the choice of peer group were being industrial-focused and having a global footprint. The peer group used for benchmarking executive compensation includes: Quaker Chemical Corporation (NYSE); Ingevity Corporation (NYSE); Innospec Inc. (NASDAQ); CMC Materials, Inc. (NASDAQ); PQ Group Holdings Inc. (NYSE); Ferro Corporation (NYSE); GCP Applied Technologies Inc. (NYSE); Elementis plc (LSE); Gurit Holding AG (SWX); Victrex plc (LSE); LSB Industries, Inc. (NYSE); Haynes International, Inc.; Livent Corporation (NYSE); DMC Global Inc. (NASDAQ); and 5N Plus Inc. (TSX).

Elements of 2021 Compensation of Named Executive Officers

The Corporation believes that a substantial portion of the total compensation for the Named Executive Officers should be variable and tied to the Corporation's performance to align their compensation interests with the achievement of the Corporation's business objectives and the long-term investment interests of the Corporation's shareholders. At the same time, the Corporation strives to attract and retain high caliber executives through the measured use of competitive fixed compensation. The Corporation's program of both fixed and at risk compensation is offered at levels that the Corporation believes are competitive within its industry and was appropriate for 2021.

The Corporation believes the compensation program, when evaluated on a component by component basis and in total, effectively achieves the Corporation's compensation philosophy and objectives described above. The following table summarizes the key components of the Corporation's compensation program for 2021:

Component	Primary Purpose and Objectives
<i>Base Salary</i>	Base salary compensates an individual in cash for his or her responsibilities, skills, experience and performance. The levels of base salaries are intended to attract and retain a high quality management team, especially when combined with the other components of the Corporation's compensation program. The levels of base salary for the Named Executive Officers are designed to reflect each executive officer's scope of responsibility, accountability and industry experience.
<i>Annual Incentive Program Awards</i>	The Corporation's annual incentive program awards are used to align the Named Executive Officers' compensation interests with the overall business objectives and the short term investment interests of the Corporation's shareholders by rewarding the Named Executive Officers for annual performance. Corporate goals were established and approved by the Board in March 2021 and performance is evaluated after year end. Payments with respect to the 2021 annual incentive program awards were made in cash in March and April 2022.
<i>Long Term Incentive Program Awards</i>	<p>On May 28, 2021, the Board adopted the Omnibus Plan, the purposes of which are to foster and promote the long-term financial success of the Corporation and materially increase the value of the Corporation. The Omnibus Plan authorizes the granting of equity-based compensation in the form of Options, RSUs, SARs, DSUs, and other awards. Awards granted under the Plan will be settled in Common Shares and in some cases, cash.</p> <p>Previously, the Corporation had adopted the Option Plan, a cash-settled long-term incentive plan and a directors' share unit plan. In addition, prior to the scheme of arrangement completed in November 2017 with Neo Cayman, the Company has adopted the Legacy Plan. Awards outstanding pursuant to the Legacy Plan include options, restricted share units and performance share units. There will be no further grants of awards made under the Option Plan, the prior long-term incentive plan, the directors' share unit plan or the Legacy Plan. As of the date hereof, there are no outstanding RSUs or PSUs pursuant to the Legacy Plan.</p>
<i>Health and Welfare Benefits</i>	Broad-based and customary health and welfare benefits provide for basic health, life and income security needs of the Named Executive Officers and their dependents. These health and welfare benefits are competitive with industry practices and help attract and retain executives.

Component**Primary Purpose and Objectives***Retirement Benefits*

The Corporation's Canada Group Retirement Savings Plan for the Corporation's Canadian based Named Executive Officers and the Corporation's 401(k) plan for the Named Executive Officers who reside in the United States encourage and reward long-term service by providing market-based benefits for retirement. All employees who are Canadian residents are eligible to participate in the Corporation's Canada Group Retirement Savings Plan and all U.S. based employees are eligible to participate in the Corporation's 401(k) plan.

2021 Base Salaries

In March 2021, the Board approved an inflationary increase to the base salary of all Named Executive Officers. In March 2021, the Corporation engaged Korn Ferry, as executive compensation advisor. Korn Ferry's report included a recommendation that the base salary of the Executive Vice President, Magnequench be increased. In September 2021, based on the recommendation of the Compensation Committee, the Board approved an increase in the base salary of the Executive Vice President, Magnequench of 9.4% to US\$350,000.

2021 Annual Incentive Program Awards

The annual incentive for a Named Executive Officer is calculated by multiplying base salary by a target incentive percentage ranging from 60 to 85% of base salary. The following multiples of base salary are provided for in the employment agreements for each of the Named Executive Officers:

	Annual Incentive Target Percentage
Constantine E. Karayannopoulos	85%
Rahim Suleman	65%
Kevin Morris	65%
Jeff Hogan	60%
Greg Kroll	60%

The annual incentive for the President and Chief Executive Officer, Chief Financial Officer and Chief Operating Officer was approved by the Board and is dependent upon corporate and personal performance, measured against the annual business plan approved by the Board. The annual incentive pay for other Named Executive Officers is recommended to the Board by the Chief Executive Officer and is dependent upon corporate, business segment and personal performance and measured against the annual business plan.

Metrics and Goals

In March 2021, the Board approved the 2021 Annual Incentive Plan Goals consisting of the following four metrics for both corporate and business segments: Health, Environment, Safety and Security ("**HESS**"); Adjusted EBITDA vs. Budget; Return on Capital Employed ("**ROCE**") vs. Budget; and Strategic Priorities. Each of these metrics is discussed in more detail below:

HESS – 10%. The components of this metric will be the average of LTIR ("**Lost Time Incident Rate**") and TRIR ("**Total Reportable Incident Rate**");

Adjusted EBITDA vs. Budget – 60%. Adjusted EBITDA is defined in the 2021 budget as operating profit plus non-cash items and other selected items, to be computed in a manner consistent between budget and actuals;

ROCE vs. Budget – 20%. ROCE to be defined as Adjusted EBITDA plus capex divided by capital employed, computed in a manner consistent between budget and actual; and

Strategic Priorities – 10%. A subjective measure of achievement against strategic objectives reviewed by the Board in the first quarter of the year.

The Board also approved the following weightings for the Named Executive Officers:

	Corporate	Business Segment / Department	Personal Performance	Total
Chief Executive Officer / Chief Financial Officer / Chief Operating Officer	90%	—	10%	100%
Business Segment Executive Vice President ...	45%	45%	10%	100%

Other Compensation – The Omnibus Plan

The Omnibus Plan allows for a variety of equity-based awards that provide different types of incentives, particularly Options, RSUs, DSUs and SARs, to be granted to officers, directors, employees and consultants of the Company and its subsidiaries. The following discussion is qualified in its entirety by the text of the Omnibus Plan.

Under the terms of the Omnibus Plan, the Board, or if authorized by the Board, the Compensation Committee, may grant Awards to eligible participants, as applicable. Participation in the Omnibus Plan is voluntary and, if an eligible participant agrees to participate, the grant of Awards will be evidenced by a grant agreement with each such participant. The interests of any participant in any award are not assignable or transferable, whether voluntary, involuntary, by operation of law, otherwise, other than by will or the laws of descent and distribution.

The Omnibus Plan provides that appropriate adjustment, if any, will be made by the Board in connection with a reclassification, reorganization or other change of the Common Shares, share split or consolidation, distribution, merger or amalgamation involving the Common Shares issuable or amounts payable to preclude the dilution or enlargement of the benefits of the Omnibus Plan. The Omnibus Plan does not contain any form of financial assistance. All prior Options, RSUs, PSUs, SARs, and DSUs granted under the Corporation's Option Plan, the Prior LTIP, the DSU Plan or any other vehicles, continue to be governed by the terms of such plans.

The total number of Common Shares reserved and available for grant and issuance from treasury pursuant to awards under the Omnibus Plan shall not exceed 2,365,000 (being 6.3% of the total issued and outstanding Common Shares as of the date of adoption of the Omnibus Plan); provided, however, that in the event that any such outstanding awards under other share-based compensation arrangements are forfeited they shall be added to the aggregate number of Common Shares reserved and available for grant pursuant to Omnibus Plan. In addition, of the number of Common Shares reserved for settlement of awards issued pursuant to the Omnibus Plan, the number of Common Shares available for issuance from treasury under the Omnibus Plan for the settlement of SARs and RSUs shall not exceed 1,400,000.

In the 2021 fiscal year, options, RSUs and PSUs were granted under to the Omnibus Plan, pursuant to which an aggregate of 470,130 Common Shares are issuable representing an annual burn rate of 1.23%. In fiscal 2019 and 2020, the annual burn rates were nil% and 0.16%, respectively.

The maximum number of Common Shares that may be: (i) issued to insiders of the Corporation within any one year period; or (ii) issuable to insiders of the Corporation at any time, in each case, under the Omnibus Plan alone, or when combined with all of the Corporation's other security-based compensation arrangements, including the Option Plan, cannot exceed 10% of the aggregate number of Common Shares issued and outstanding from time to time.

An option shall be exercisable during a period established by the Board which shall commence on the date of the grant and shall terminate no earlier than one year and no later than 10 years after the date of grant. The minimum exercise price of an option will be determined by the Board based on the weighted average closing price of the Common Shares on the TSX on the five trading days prior to the date such option is granted. The Omnibus Plan provides that the exercise period shall automatically be extended if the date on which it is scheduled to terminate shall fall during a

blackout period. In such cases, the extended exercise period shall be terminated 10 business days after the last day of the black-out period.

The number of DSUs that a participant is entitled to receive in a fiscal year is based upon the percentage that the Board has determined that such participant will receive, in DSUs multiplied by the participant's annual retainer divided by the market value of Common Shares (as set out in the Omnibus Plan). Each participant is entitled to redeem his or her DSUs within 90 days of his or her separation from the Corporation, and such DSUs may be settled in cash or Common Shares purchased on the open market.

The Board may determine the number of RSUs to be granted to a participant, the relevant vesting provisions of such RSUs, including any performance criteria and period over which such performance criteria must be met, if any and any other terms and conditions prescribed in the Omnibus Plan. The Board shall determine whether RSUs will be settled in Common Shares issued from treasury or purchased on the secondary market or settled in cash.

The Board may determine the number of SARs to be granted to a participant, whether such SAR is to be settled in Common Shares or the cash equivalent thereof, and the exercise price of a SAR, which shall not be less than the applicable market value of Common Shares (as set out in the Omnibus Plan).

When dividends (other than stock dividends) are paid on Common Shares, participants under the Omnibus Plan who have been granted RSUs or DSUs shall receive additional RSUs or DSUs, as applicable ("**Dividend Equivalents**") as of the dividend payment date. The number of Dividend Equivalents to be granted to the participant shall be determined by multiplying the aggregate number of RSUs or DSUs, as applicable, held by the participant on the relevant record date by the amount of the dividend paid by the Corporation on each Common Share, and dividing the result by the market value (as determined in the Omnibus Plan) on the dividend payment date.

The following table describes the impact of certain events upon the rights of holders of Awards under the Omnibus Plan, including termination for cause, resignation, retirement, termination other than for cause and death or long-term disability, subject to the terms of a participant's employment agreement, grant agreement and the change of control provisions described below:

Event Provisions	Options	RSUs, DSUs and SARs
<i>Termination for cause</i>	Immediate forfeiture of all unexercised vested and unvested options	Immediate forfeiture of all unvested RSUs, DSUs and SARs, as applicable
<i>Termination other than for cause</i>	Forfeiture of all unvested options upon the earlier of the original expiry date and 90 days after termination to exercise vested options or such longer period as the Board may determine in its sole discretion	The Corporation shall settle any vested RSUs, DSUs and SARs in accordance with their terms, and other unexercised or unvested RSUs, DSUs and SARs shall immediately vest and be settled on a pro-rated basis based on time elapsed and/or performance criteria, as applicable
<i>Resignation</i>	Forfeiture of all unvested options upon the earlier of the original expiry date and 90 days after resignation to exercise vested options or such longer period as the Board may determine in its sole discretion	Forfeiture of all unvested RSUs, DSUs and SARs, as applicable, and the Corporation shall settle any vested RSUs, DSUs and SARs in accordance with their terms
<i>Retirement</i>	All unvested options continue to vest in accordance with their terms and any vested unexercised options shall expire on the earlier of five years after the date of retirement and the original expiry date of the options	RSUs, DSUs and SARs shall continue to vest in accordance with their terms. Settlement of RSUs, DSUs and SARs subject to performance criteria shall be pro-rated for the time elapsed in the performance period up to the date of retirement
<i>Death or long-term disability</i>	Forfeiture of all unvested options upon the earlier of the original expiry date and 12	RSUs, DSUs and SARs shall continue to vest for a maximum period of 12 months or until

Event Provisions	Options	RSUs, DSUs and SARs
	months after date of death or long-term disability to exercise vested options or such longer period as set out by the Board in its sole discretion	the vesting date set out in the grant agreement (whichever is shorter) and settle within 30 days of such period.

In connection with a change of control of the Corporation, the Board will take such steps as are reasonably necessary or desirable to cause the conversion or exchange or replacement of outstanding Awards into, or for, rights or other securities of substantially equivalent (or greater) value in the continuing entity, provided that the Board may accelerate the vesting of Awards if: (i) the required steps to cause the conversion or exchange or replacement of Awards are impossible or impracticable to take or are not being taken by the parties required to take such steps (other than the Corporation); or (ii) the Corporation has entered into an agreement which, if completed, would result in a change of control and the counterparty or counterparties to such agreement require that all outstanding Awards be exercised immediately before the effective time of such transaction or terminated on or after the effective time of such transaction. If a participant is terminated without cause during the 24th month period following a change of control, any Awards then outstanding shall automatically vest so that (i) options may be exercised in whole or in part by the participant for 90 days thereafter or prior to the expiry date in respect thereof, whichever is sooner, and; (ii) other Awards shall vest and the participant shall be entitled to receive and the Corporation shall issue Common Shares in satisfaction of such Awards.

The Board may, in its sole discretion, suspend or terminate the Omnibus Plan at any time, or from time to time, amend, revise or discontinue the terms and conditions of the Omnibus Plan or of any securities granted under the Omnibus Plan and any grant agreement relating thereto, subject to any required regulatory and TSX approval, provided that such suspension, termination, amendment, or revision will not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus Plan or as required by applicable laws.

The Board may amend the Omnibus Plan or any securities granted under the Omnibus Plan at any time without the consent of a participant provided that such amendment shall: (i) not adversely alter or impair any Award previously granted except as permitted by the terms of the Omnibus Plan; (ii) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the TSX; and (iii) be subject to shareholder approval, where required by law, the requirements of the TSX or the Omnibus Plan, provided however that shareholder approval shall not be required for the following amendments and our Board may make any changes which may include but are not limited to:

- any amendments of a "housekeeping" nature, including, without limitation, to clarify the meaning of an existing provision of the Omnibus Plan, correct or supplement any provision of the Omnibus Plan that is inconsistent with any other provision of the Omnibus Plan, correct any grammatical or typographical errors or amend the definitions in the Omnibus Plan;
- any amendments to the vesting provisions of Awards;
- any amendments to accelerate the date on which any Award may be exercised under the Omnibus Plan; and
- any amendments of the Omnibus Plan or an Award as necessary to comply with applicable law or the requirements of any stock exchange upon which the Common Shares are then listed; or
- any amendments regarding the administration of the Omnibus Plan.

Notwithstanding the foregoing, shareholder approval is required for certain amendments to the Omnibus Plan, including, but not limited to the following:

- any change to the maximum number of Common Shares issuable from treasury under the Omnibus Plan;
- (i) any amendment which reduces the exercise price of any Award, after such Awards have been granted, except in the case of an adjustment pursuant to the Omnibus Plan; or (ii) any cancellation of an Award granted and the substitution of that Award by a new Award with a reduced price;
- any amendment which extends the expiry date of any Award beyond the original expiry date, except in case of an extension due to a black-out period;

- expands the authority of the Board to permit assignability of Awards other than as permitted under the Omnibus Plan;
- adds to the categories of eligible participants who may be designated for participation in the Omnibus Plan;
- removes or increases the insider participation limit under the Omnibus Plan; or
- any amendments to the amendments provisions of the Omnibus Plan.

Other Compensation – The Option Plan

Prior to the adoption of the LTIP, the Corporation had adopted a stock option on October 13, 2017 (the "**Option Plan**"). Any options outstanding under the Option Plan continue to be governed by the terms of the Option Plan. As at the date of the most recently completed financial year ended December 31, 2021, a total of 121,169 options were issued and outstanding under the Option Plan, representing approximately 0.30% of the issued and outstanding Common Shares, on a non-diluted basis. No further options will be granted under the Option Plan.

Other Compensation – The Prior LTIP

On May 9, 2018, the Board adopted a Long-Term Incentive Plan (the "**Prior LTIP**"), the purposes of which were to foster and promote the long-term financial success of the Corporation and materially increase the value of the Corporation. All awards granted under the Prior LTIP are to be settled in cash. As of December 31, 2021, there were 104,550 RSUs and 105,550 PSUs outstanding under the Prior LTIP. No further RSUs or PSUs will be granted under the Prior LTIP.

Other Compensation – The Legacy Plan

The Named Executive Officers were entitled to participate in the Legacy Plan, the purpose of which was to align the interests of participants with those of shareholders of Neo Cayman providing incentive compensation opportunities tied to performance of the securities of Neo Cayman. The Legacy Plan authorized the granting of equity-based compensation in the forms of options to purchase ordinary shares of Neo Cayman ("**Legacy Options**"), restricted share units ("**Legacy RSUs**"), and two series of performance units ("**Legacy PSUs**" and "**Legacy Additional PSUs**", respectively). There will be no further grants made under the Legacy Plan.

As at December 31, 2021, the following equity-based awards were outstanding under the Legacy Plan:

<u>Group</u>	<u>Legacy Options</u>
Executive Officers and Employees	535,680
Former Executive Officer.....	88,002
Directors ⁽¹⁾	86,672

Note:

(1) Includes 53,336 Legacy Options granted to Mr. Karayannopoulos in 2016 when he served as Chairman of Neo Cayman.

The number of Common Shares issuable on exercise of the Legacy Options and the exercise price per share have been adjusted to apply the exchange ratio applied in connection with the Arrangement. One-quarter of the Legacy Options vested on each of the first four anniversaries of the grant date, beginning on September 1, 2017.

The Corporation has assumed the obligation to issue Common Shares underlying the securities outstanding pursuant to the Legacy Plan. The number of Common Shares to be issued pursuant to the terms of the Legacy Options reflects the application of the exchange rate applied on the completion of the Arrangement.

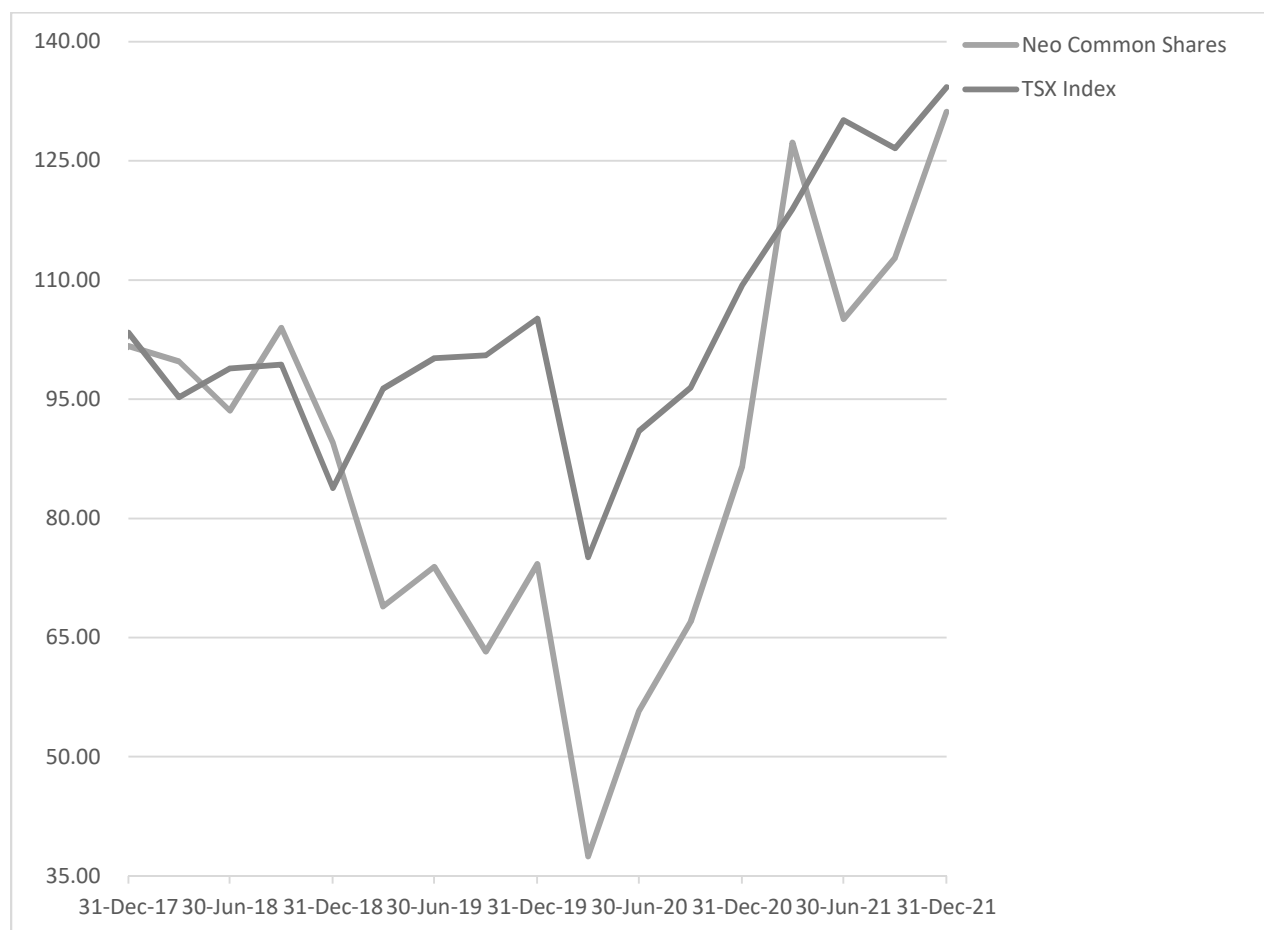
In the event of a stock dividend, extraordinary cash or stock dividend or other distribution or payment with respect to the Common Shares, among other events, the Legacy Plan (as assumed by the Corporation) provides that the Board shall, in good faith to be equitable to the holders of the Legacy Options (to prevent, among other things, dilution or enlargement of the rights of the holders), make appropriate adjustments to the applicable securities, underlying securities and/or the exercise prices of the respective awards.

Clawback Policy

The Board has adopted an incentive compensation clawback policy that allows the Corporation to recover, from current and former executives, certain incentive compensation amounts awarded or paid to individuals, including equity-based incentive awards, if the individuals engaged in fraud or willful misconduct that led to inaccurate financial results reporting, regardless of whether the misconduct resulted in a restatement of all or part of the Corporation's financial statements.

Performance Graph

The following line graph compares the cumulative return of the Common Shares based on the trading prices of the Common Shares on the TSX with the total return of the S&P/TSX Composite Index value (the "TSX Index") for the most recently completed fiscal year. The Common Shares commenced trading on the TSX on December 8, 2017 and the graph assumed that the dividends paid on the Common Shares were reinvested on the date paid.



	Dec. 8, 2017	Dec. 31, 2017	June 30, 2018	Dec. 31, 2018	June 30, 2019	Dec. 31, 2019	June 30, 2020	Dec. 31, 2020	June 30, 2021	Dec. 31, 2021
TSX Index	100.00	103.37	98.88	83.80	100.18	105.15	91.03	109.35	130.13	134.26
Common Shares	100.00	101.70	93.55	89.51	73.89	74.26	55.78	86.54	105.07	131.18

Risks Associated with Compensation Policies and Practices

The oversight and administration of the Corporation's executive compensation program requires the Compensation Committee to consider risks associated with the Corporation's compensation policies and practices. Potential risks associated with compensation policies and compensation awards are considered at annual reviews and also throughout the year whenever it is deemed necessary by the Compensation Committee.

The Corporation's executive compensation policies and practices are intended to align management incentives with the long-term interests of the Corporation and its shareholders. In each case, the Corporation seeks an appropriate balance of risk and reward. Practices that are designed to avoid inappropriate or excessive risks include: (i) financial controls that provide limits and authorities in areas such as capital and operating expenditures to mitigate risk taking that could affect compensation; (ii) balancing base salary and variable compensation elements; and (iii) spreading compensation across short and long-term programs.

Compensation of Named Executive Officers

The following table sets out information concerning the targeted compensation to be earned by, paid to or awarded to the Named Executive Officers for the fiscal years ending December 31, 2021, 2020 and 2019.

(US\$)

Name and principal position	Year	Salary ⁽¹⁾	Option-based awards ⁽²⁾	Share-based awards ⁽²⁾	Non-equity incentive plan compensation		Pension value ⁽³⁾	All other compensation	Total compensation ⁽¹⁾
					Annual incentive plans	Long-term incentive plans			
Constantine E. Karayannopoulos ⁽⁴⁾	2021	526,327	370,460	868,187	679,901	—	11,101	26,802	2,482,778
<i>President and Chief Executive Officer</i>	2020	269,689	135,954	—	—	2,046,436	10,149	296,628	2,758,857
Rahim Suleman.....	2021	400,702	173,037	405,516	455,277	—	11,101	61,771	1,507,404
<i>Executive Vice President and Chief Financial Officer</i>	2020	368,884	—	—	90,395	—	10,149	81,329	550,757
	2019	362,077	—	—	159,100	—	9,986	59,312	590,475
Kevin Morris	2021	420,132	154,480	361,980	525,015	—	11,600	72,652	1,545,859
<i>Executive Vice President and Chief Operating Officer</i>	2020	411,890	—	—	100,935	—	11,400	97,724	621,949
	2019	399,890	—	—	175,715	—	11,200	68,102	654,907
Jeff Hogan.....	2021	361,725	133,643	313,235	379,380	—	11,600	70,559	1,270,141
<i>Executive Vice President, C&O</i>	2020	356,375	—	—	102,210	—	11,400	86,717	556,702
	2019	350,070	—	—	141,990	—	10,925	68,950	571,935
Greg Kroll	2021	350,000	129,306	303,114	367,080	—	11,600	20,236	1,181,336
<i>Executive Vice President, Magnequench</i>	2020	316,087	—	—	105,415	—	11,400	78,715	511,617
	2019	306,000	—	—	124,115	—	11,200	134,633	575,948

Notes:

(1) The Corporation reports its financial statements in U.S. dollars and the table above is shown in U.S. dollars. Mr. Morris, Mr. Hogan and Mr. Kroll are paid in U.S. dollars. Compensation for Messrs. Karayannopoulos and Suleman is made in Canadian dollars but has

been converted for the table above at the Bank of Canada average annual exchange rate for the year ended December 31, 2021 of \$1.00 = C\$1.2535.

- (2) The fair value of Option-Based awards are estimated using the Black-Scholes option pricing model. The Corporation has adopted fair value accounting for Options using the Black-Scholes fair value option pricing model, as established methodology.
- (3) Pension amounts represent contributions of the Corporation to a defined contribution retirement savings or 401(k) plan.
- (4) Mr. Karayannopoulos received no additional compensation in his capacity as a director of the Corporation after he assumed the role of President and Chief Executive Officer on July 7, 2020.

Incentive Plan Awards – Option-Based and Share-Based Awards Outstanding

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of share-based awards that have not vested	Market or payout value of share-based awards that have not vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Constantine E. Karayannopoulos	53,336 ⁽¹⁾	9.37	Sept 1, 2026	353,416	58,330	933,059	Nil
Rahim Suleman	168,004 ⁽¹⁾	9.37	Sept 1, 2026	1,113,230	27,245	435,817	Nil
Kevin Morris	168,004 ⁽¹⁾	9.37	Sept 1, 2026	1,113,230	24,320	389,028	Nil
Jeff Hogan	120,004 ⁽¹⁾	9.37	Sept 1, 2026	795,172	21,045	336,640	Nil
Greg Kroll	60,004	13.30	Sept 12, 2025	115,483	20,265	325,763	Nil

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Notes:

- (1) The number reflects the number of Common Shares issuable on exercise of Legacy Options.
- (2) The value assumes that all options have vested and is calculated based on the share price on December 31, 2021 and using the Bank of Canada exchange rate as at December 31, 2021 of \$1.00 = C\$1.2678.

Incentive Plan Awards – Value Vested or Earned

The following table indicates, for each of the Named Executive Officers, a summary of the value of option-based awards and share-based awards vested in accordance with their terms during the fiscal year ending December 31, 2021.

Name	Option-based awards – Value vested during the fiscal year (\$) ⁽¹⁾	Share-based awards – Value vested during the fiscal year (\$) ⁽²⁾	Non-equity incentive plan compensation – value earned during the fiscal year (\$) ⁽³⁾⁽⁴⁾
Constantine E. Karayannopoulos	168,381	543,609	2,112,878
Rahim Suleman	—	1,662,406	455,277
Kevin Morris	—	1,662,406	525,015
Jeff Hogan	—	1,187,458	379,380
Greg Kroll	38,494	593,747	637,187

Notes:

- (1) Calculated using the share price as of December 31, 2021 less the exercise price of the applicable Option.
- (2) Represents the RSUs and PSUs granted under the Legacy Plan that vested during the year, and is calculated using the share price as of December 31, 2021.
- (3) Represents the annual incentive plan earned for 2021 and paid in 2022, plus the RSUs and PSUs granted under the Prior LTIP that vested during the year and were settled in cash.
- (4) The annual incentive component of non-equity incentive plan compensation for Mr. Karayannopoulos and Mr. Suleman, is calculated in Canadian dollars and has been converted into U.S. dollars for the table above at the Bank of Canada average annual exchange rate for the year ended December 31, 2021 of \$1.00 = C\$1.2535

Retirement Plan Benefits

All of the Named Executive Officers participate in a defined contribution retirement savings plan. The Corporation together with its affiliates contribute the following amounts directly to the individuals' retirement savings account:

- (1) 5% of combined base salary and bonus (to a maximum of C\$13,915 in 2021) for Mr. Karayannopoulos and Mr. Suleman; and
- (2) 4% of combined base salary and bonus (to a maximum of \$11,600 for 2021) for Mr. Morris, Mr. Hogan and Mr. Kroll.

Defined Contribution Retirement Savings Plan Table

Name	Accumulated Value at Start of Year (\$)	Compensatory Amount (\$)⁽²⁾	Accumulated Value at Dec. 31, 2021 (\$)
Constantine E. Karayannopoulos ⁽¹⁾	132,630	11,101	170,888
Rahim Suleman ⁽¹⁾	106,309	11,101	166,417
Kevin Morris	444,776	11,600	535,969
Jeff Hogan	928,751	11,600	1,086,701
Greg Kroll.....	1,053,892	11,600	1,261,903

Notes:

- (1) For Messrs. Karayannopoulos and Suleman, the values are shown as converted from Canadian dollars to U.S. dollars converted into U.S. dollars for the table above at the Bank of Canada average annual exchange rate for the year ended December 31, 2021 of \$1.00 = C\$1.2535.
- (2) Indicates the contributions of the Corporation to a defined contribution retirement savings or 401(k) plan.

Employee Agreements and Termination and Change of Control Benefits

Each of the Named Executive Officers has employment agreements with Neo or a subsidiary thereof, that contain termination payment provisions. These agreements are reviewed from time to time and amended accordingly subject to Board approval.

Constantine E. Karayannopoulos – President and Chief Executive Officer

Constantine E. Karayannopoulos, the President and Chief Executive Officer, entered into an employment agreement with Neo on July 7, 2020, with a 36-month term, which may be extended by mutual agreement for a further 12-month period. The employment agreement provided that Mr. Karayannopoulos would be employed as President and Chief Executive Officer of Neo and its affiliates.

If Neo terminates Mr. Karayannopoulos' employment as a result of the death or willful failure to properly perform his duties, Neo shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, vacation pay to the date of termination and reimburse business expenses properly incurred to the date of termination (collectively, the "**Basic Entitlements**"). The Corporation estimates that if Mr. Karayannopoulos' employment had been terminated on December 31, 2021 for the reasons described above, no further payments would have been made to Mr. Karayannopoulos beyond what is due to him up to such date.

Upon the termination by Neo of the employment of Mr. Karayannopoulos without cause or serious reason, Neo shall thereupon pay to him (i) the Basic Entitlements, (ii) any bonus awarded in respect of the fiscal year preceding the year of termination, not yet paid, (iii) his pro-rated bonus for the year in which his employment is terminated, (iv) within 30 days of such termination, a lump sum equivalent of his then annual base salary, (v) continue to pay the premiums to provide all employee benefits (other than short and long term disability benefits) for the 12 months following the date of termination, and (vi) settle any long-term incentive awards in accordance with the provisions of the applicable plans governing such awards. The Corporation estimates that if Mr. Karayannopoulos' employment had been terminated on December 31, 2021 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$1,005,200 (excluding supplementary benefits and other perquisites).

Rahim Suleman – Executive Vice President and Chief Financial Officer

Rahim Suleman, the Executive Vice President and Chief Financial Officer, entered into an amended and restated employment agreement with Neo on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Suleman will be employed as Executive Vice President and Chief Financial Officer of Neo and its affiliates.

If Neo terminates Mr. Suleman's employment as a result of the death or disability of Mr. Suleman or willful failure to properly perform his duties, Neo shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Corporation estimates that if Mr. Suleman's employment had been terminated on December 31, 2021 for the reasons described above, no further payments would have been made to Mr. Suleman beyond what is due to him on such date.

Upon the termination by Neo of the employment of Mr. Suleman other than for cause or Mr. Suleman terminates his employment for good reason, Neo shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) over a period of up to 24 months, an amount equal to 18 months of his base salary plus one additional month of salary for every full year of service, and (iii) employee benefits (other than short and long-term disability benefits) for the 24 month period set out in (ii) above. The Corporation estimates that if Mr. Suleman's employment had been terminated on December 31, 2021 for any of the reasons described above, he would be entitled to an aggregate payment of up to approximately \$782,100(excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Suleman's employment agreement), Neo terminates Mr. Suleman's employment, or Mr. Suleman terminates his employment for good reason, Neo shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 24 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2021 and Mr. Suleman had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2021, Mr. Suleman would have been entitled to a lump sum "change of control" payment of up to approximately \$1,104,100 (excluding supplementary benefits, value from accelerated equity vesting and other perquisites).

Kevin Morris – Executive Vice President and Chief Operating Officer

Kevin Morris, the Executive Vice President and Chief Operating Officer, entered into the third amended and restated employment agreement with Neo Chemicals & Oxides, LLC ("**Neo C&O**") on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Morris will be employed as Executive Vice President and Chief Operating Officer of Neo and its affiliates.

If Neo C&O terminates Mr. Morris' employment as a result of the death or disability of Mr. Morris or willful failure to properly perform his duties, Neo C&O shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation to the date of termination. The Corporation estimates that if Mr. Morris' employment had been terminated on December 31, 2021 for the reasons described above, no further payments would have been made to Mr. Morris beyond what is due to him up to such date.

Upon the termination by Neo C&O of the employment of Mr. Morris for other than for cause or Mr. Morris terminates his employment for good reason, Neo C&O shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) over a period of 24 months, an amount equal to 18 months of his base salary plus one additional month of salary for every full year of service, to a maximum of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for the 18 month period. The Corporation estimates that if Mr. Morris' employment were to have been terminated on December 31, 2021 for any of the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$906,200 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Morris' employment agreement), Neo C&O terminates Mr. Morris' employment, or Mr. Morris terminates his employment for good reason, Neo C&O shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2021 and Mr. Morris had terminated his employment for good reason accordance with his employment agreement with an effective date of December 31, 2021, Mr. Morris would have been entitled to a lump sum "change of control" payment of up to approximately \$1,176,400 (excluding supplementary benefits value, from accelerated equity vesting and other perquisites).

Jeff Hogan – Executive Vice President, Chemicals & Oxides

Jeff Hogan, the Executive Vice President, Chemical & Oxides, entered into the third amended and restated employment agreement with Neo C&O on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Hogan will be employed as Executive Vice President, Chemicals & Oxides.

If Neo C&O terminates Mr. Hogan's employment as a result of the death or disability of Mr. Hogan or willful failure to properly perform his duties, Neo C&O shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Corporation estimates that if Mr. Hogan's employment were to have been terminated on December 31, 2021 for any of the reasons described above, no further payments would be made to Mr. Hogan beyond what is due to him up to such date.

Upon the termination by Neo C&O of the employment of Mr. Hogan other than for cause or Mr. Hogan terminates his employment for good reason, the Corporation shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) an amount equal to twice his base salary over a period of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for 18 months. The Corporation estimates that if Mr. Hogan's employment were to have been terminated on December 31, 2021 for the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$790,800 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Hogan's employment agreement), Neo C&O terminates Mr. Hogan's employment, or Mr. Hogan terminates his employment for good reason, Neo C&O shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2021 and Mr. Hogan had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2021, Mr. Hogan would have been entitled to a lump sum "change of control" payment of up to approximately \$1,006,500 (excluding supplementary benefits value accelerated equity vesting and other perquisites).

Greg Kroll – Executive Vice President, Magnequench

Greg Kroll, the Executive Vice President, Magnequench, entered into an employment agreement with Neo Singapore on January 1, 2018, with an indefinite term. The employment agreement provides that Mr. Kroll will be employed as Executive Vice President, Magnequench.

If Neo Singapore terminates Mr. Kroll's employment as a result of the death or disability of Mr. Kroll or willful failure to properly perform his duties, Neo Singapore shall thereupon pay to him, in a single payment within 30 days of the date of termination, accrued salary, benefits, perquisites and vacation pay to the date of termination. The Corporation estimates that if Mr. Kroll's employment were to have been terminated on December 31, 2021 for any of the reasons described above, no further payments would be made to Mr. Kroll beyond what is due to him up to such date.

Upon the termination by Neo Singapore of the employment of Mr. Kroll other than for cause or Mr. Kroll terminates his employment for good reason, the Corporation shall thereupon pay to him (i) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, (ii) an amount equal to twice his base salary over a period of 24 months, and (iii) employee benefits (other than short and long-term disability benefits) for 18 months. The Corporation estimates that if Mr. Kroll 's employment were to have been terminated on December 31, 2021 for the reasons described above, he would have been entitled to an aggregate payment of up to approximately \$724,200 (excluding supplementary benefits and other perquisites).

If, during the 24 months following a "change of control" (as defined in Mr. Kroll 's employment agreement), Neo Singapore terminates Mr. Kroll 's employment, or Mr. Kroll terminates his employment for good reason, Neo Singapore shall pay to him a lump sum "change of control" payment equivalent to the aggregate of (i) twice his then current base salary; (ii) the targeted bonus amount for the applicable year, (iii) in a single payment within 30 days of the date of termination, accrued vacation pay and perquisites, and (iv) employee benefits (other than short and long-term disability benefits) for the 18 month period following the date of retirement. The Corporation currently estimates that in the event that the "change of control" provisions were triggered in 2021 and Mr. Kroll had terminated his employment for good reason in accordance with his employment agreement with an effective date of December 31, 2021, Mr. Kroll would have been entitled to a lump sum "change of control" payment of up to approximately \$920,500 (excluding supplementary benefits value accelerated equity vesting and other perquisites).

Director Compensation

The directors' compensation program is designed to attract and retain qualified individuals to serve on the Board. Non-executive directors are paid an annual retainer fee, with additional amounts paid to each chair of the Board, Compensation Committee and Audit Committee. The Board is satisfied that it's fee structure is reasonable for a company that operates in 10 countries and shares many of the complexities of other global multi-national organizations having significantly higher market capitalizations.

Deferred Share Units

On May 9, 2018, the Corporation established a Directors Share Unit Plan (the "**DSU Plan**") for members of the Board. Under the DSU Plan, the Compensation Committee determined, once a year, what portion of the directors' annual remuneration shall be paid as deferred share units ("**DSU**"). DSUs are fully vested upon issuance, and accumulate dividend equivalents in the form of additional DSUs based on the dividends paid on the Common Shares. DSUs are redeemable for cash only following retirement from the Board or death of the director. The value of the DSU when converted to cash will be equivalent to the market value of the Common Shares at the time the conversion takes place. If the LTIP Resolution is approved at the Meeting, the DSU Plan will be replaced by the Omnibus Plan. All outstanding DSUs will continue to be governed by the terms of the DSU Plan, but any DSUs granted in the future will be governed by the Omnibus Plan.

The following table sets out the fee structure of the Board in 2021:

(all figures in US\$)	Cash Portion	DSU Portion	Total
Board Chair Retainer	140,000	100,000	240,000
Non-Executive Board Member Retainer	50,000	75,000	125,000
Lead Director Retainer	50,000	75,000	125,000
Audit Committee Chair Retainer	20,000	Nil	20,000
Audit Committee Member Retainer	7,000	Nil	7,000

(all figures in US\$)	Cash Portion	DSU Portion	Total
Compensation Committee Chair Retainer	10,000	Nil	10,000
Compensation Committee Member Retainer	5,000	Nil	5,000
Corporate Governance and Nominating Committee Chair Retainer	10,000	Nil	10,000
Corporate Governance and Nominating Committee Member Retainer	5,000	Nil	5,000
HESS Committee Chair Retainer	10,000	Nil	10,000
HESS Committee Member Retainer	5,000	Nil	5,000

Notes:

- (1) All directors are entitled to reimbursement of reasonable expenses incurred by them acting in their capacity as directors.
- (2) No directors fees are payable to directors who are executive officers of the Corporation or to directors who are nominees of Oaktree.

Director compensation table

Cash fees were paid to non-executive directors in 2021. The directors are reimbursed for miscellaneous out-of-pocket expenses incurred in carrying out their duties as directors.

The following table sets out the total compensation earned by each non-executive director who served in that capacity for any part of the most recently completed financial year:

Name	Fees earned (\$)	Option Based Awards	Share Based Awards (\$)	Other Compensation (\$)	Total (\$)
Claire M.C. Kennedy	141,000	Nil	100,000	Nil	241,000
Eric Noyrez	78,000	Nil	75,000	Nil	153,000
G. Gail Edwards	71,000	Nil	75,000	Nil	146,000
Edgar Lee	58,861	Nil	75,000	Nil	133,861

Directors' Incentive Plan Awards – Option-Based and Share-Based Awards Outstanding

Certain directors of Neo Cayman, who are now directors of Neo, were granted Legacy Options, Legacy RSUs and Legacy PSUs in 2016 under the Legacy Plan. See "*Other Compensation – The Legacy Plan*" to purchase ordinary shares of Neo Cayman pursuant to the Legacy Plan. Since the Corporation has assumed the obligation to issue Common Shares underlying the securities outstanding pursuant to the Legacy Plan, the Legacy Options when exercised, and the Legacy RSUs and Legacy PSUs when vested, will result in the issuance of Common Shares rather than ordinary shares of Neo Cayman.

Name	Option-based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#) ⁽¹⁾	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of share-based awards that have not vested	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Eric Noyrez	33,336	9.37	Sept 1, 2026	220,891	Nil	Nil	Nil

Notes:

- (1) The number reflects the number of Common Shares issuable on exercise of Legacy Options.
(2) The value is calculated based on the share price on December 31, 2021 and using the Bank of Canada exchange rate as at December 31, 2021 of \$1.00 = C\$1.2678.

Incentive Plan Awards – Value Vested or Earned

The following table indicates, for certain directors, a summary of the value of option-based awards and share-based awards expected to be vested in accordance with their terms during the fiscal year ending December 31, 2021.

Name	Option-based awards – Value vested during the fiscal year (\$)	Share-based awards – Value vested during the fiscal year (\$) ⁽¹⁾
Eric Noyrez	Nil	341,513

Notes:

- (1) Calculated using the share price as of December 31, 2021.

Indemnification and Insurance

The Corporation maintains director and officer liability insurance to limit the Corporation's exposure to claims against, and to protect, its directors and officers. In addition, the Corporation or Neo, as the case may be, has entered into indemnification agreements with each of its directors and officers. The indemnification agreements require that the Corporation or Neo, as the case may be, indemnify and hold the indemnitees harmless to the greatest extent permitted by law for liabilities arising out of the indemnitees' service to the Corporation as directors and officers, provided that the indemnitees acted honestly and in good faith and in a manner the indemnitees reasonably believed to be in, or not opposed to, the Corporation's best interests. The indemnification agreements also provide for the advancement of defense expenses to the indemnitees by the Corporation.

INDEBTEDNESS OF DIRECTORS AND OFFICERS OF THE CORPORATION

As of December 31, 2021 and of the date of this Information Circular, none of the officers or directors of the Corporation were indebted to the Corporation, other than routine indebtedness (as defined in applicable securities regulations).

CORPORATE GOVERNANCE OF THE CORPORATION

Statement of Corporate Governance Practices

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (the "**Guidelines**") requires certain disclosure regarding the corporate governance practices of the Corporation. The Corporation is pleased to make the following disclosure regarding its corporate governance policies.

The Corporation's articles of incorporation provide that its Board be comprised of a minimum of three and a maximum of 15 directors. In accordance with the OBCA, the Board may appoint one or more additional directors who shall hold office until the close of the next annual meeting of shareholders, provided that the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders. Further particulars of the process by which compensation for the executive officers is determined is provided under "*Executive Compensation – Compensation Discussion and Analysis*".

The Corporation's Board is currently comprised of seven directors: Claire M.C. Kennedy, Eric Noyrez, Constantine Karayannopoulos, Brook Hinchman, Edgar Lee, G. Gail Edwards and Gregory Share.

The Board has established the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee and the HESS Committee and has approved mandates for each of these committees, which are described below. The Board has delegated to the applicable committee those duties and responsibilities set out in each committee's mandate. The mandate of the Board, as well as the mandates of various Board committees, set out in writing the responsibilities of the Board and the committees for supervising the Chief Executive Officer.

Board of Directors Mandate

The Board, directly and through its committees, oversees management and is responsible for the stewardship of the Corporation, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Corporation's various stakeholders including shareholders, employees, clients, suppliers and the community.

The responsibilities of the Board include, among other things, ensuring that:

- all Board members understand the business of the Corporation;
- processes are in place to effectively plan, monitor and manage the long-term viability of the Corporation;
- there is a balance between long and short-term goals and risks;
- management's performance is adequate and that an adequate management succession plan is in place;
- communication with shareholders and other stakeholders is timely and effective;
- the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;
- business is conducted ethically and in compliance with applicable laws and regulations; and
- all matters requiring shareholder approval are referred to the Board.

A copy of the mandate of the Board is attached as Appendix "B" to this Information Circular.

Independence

The Board is comprised of seven directors: four of whom are independent of management and Oaktree (being Eric Noyrez, Claire Kennedy, Edgar Lee and Gail Edwards); two of whom are independent in accordance with the

requirements of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, but not independent in accordance with the requirements of National Instrument 52-110 – *Audit Committees*, as each is an executive officer of Oaktree (being, Brook Hinchman and Gregory Share); and one of whom (being Constantine Karayannopoulos, the President and Chief Executive Officer of the Corporation) is not independent.

In addition to chairing all Board meetings, Ms. Kennedy's role as the Chair is to facilitate and chair discussions among the Corporation's independent directors, facilitate communication between the independent directors and the Corporation's management and, if and when necessary, act as a spokesperson on behalf of the Board in dealing with the press and members of the public. The Board holds regularly scheduled meetings as well as ad hoc meetings from time to time.

The Board recognizes the importance of independent leadership on the Board, and has appointed Eric Noyrez, independent director, as Lead Director. The Board has developed a formal position description for the Lead Director of the Board. The position description for the Lead Director of the Board provides, among other things, that the Lead Director: (i) provides input to the Chair of the Board on preparation of agendas for meetings of the Board; (ii) assists the Chair to endeavour to ensure Board leadership responsibilities are conducted in a manner that allows the Board to function independently of management; (iii) considers, and allows for, when appropriate, a meeting of all independent directors, so that Board meetings can take place without management being present; and (iv) endeavours to ensure reasonable procedures are in place for directors to engage outside advisors at the expense of the Corporation in appropriate circumstances, subject to his or her prior approval.

The Board delegates a number of responsibilities to the Audit Committee, the Compensation Committee, the HESS Committee and the Corporate Governance and Nominating Committee. Where potential conflicts arise during a director's tenure on the Board, such conflicts are expected to be immediately disclosed to the Board.

Audit Committee

The Audit Committee of the Corporation is responsible for the Corporation's financial reporting process and the quality of its financial reporting. The Audit Committee is charged with the mandate of providing independent review and oversight of the Corporation's financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Corporation's external auditors. In performing its duties, the Audit Committee maintains effective working relationships with the Board, management, and the external auditors and monitors the independence of those auditors.

Composition of the Audit Committee

As of the date hereof, the Board members of the Corporation's Audit Committee are:

<u>Name</u>	<u>Independent</u>	<u>Financially Literate</u>
G. Gail Edwards (Chair).....	Yes	Yes
Claire Kennedy.....	Yes	Yes
Eric Noyrez.....	Yes	Yes

Relevant Education and Experience

<u>Name of Member</u>	<u>Relevant Experience and Qualifications</u>
G. Gail Edwards (Chair)	Gail Edwards has been a director of Neo since June 2019 and is Chair of the Audit Committee. She is a C-suite financial and real estate executive who is currently a director of Amica Senior Lifestyles and Chair of the Audit Committee. Ms. Edwards is also a member of the Real Estate Advisory Committee (REAC) for OP Trust, which manages one of Canada's largest pension funds, and a member of the REAC of the New York State Common Retirement Fund which manages funds in excess of US\$250 billion. Ms. Edwards has held executive management positions with the Minto Group, JH Investments

Name of Member**Relevant Experience and Qualifications**

Inc., a New York based real estate developer, a NYSE listed entertainment company, a U.S. based global food service and hospitality company and a Canadian banking institution. Ms. Edwards has her ICD.D designation and is a Canadian Chartered Accountant holding a Bachelor of Science degree in Mathematics from the University of Western Ontario.

Claire Kennedy

Ms. Kennedy has been a director of Neo since October 2017. Ms. Kennedy was a member of the board of directors of NEM from February 2010 to June 2012 and served on the Audit Committee. Ms. Kennedy was a Partner in the Toronto office of Bennett Jones LLP from 2009. In 2019, she became Senior Advisor, Clients and Industries. Ms. Kennedy is Lead Director of the Bank of Canada. She is also a director of Alamos Gold Inc., which is listed on the TSX and NYSE, and serves as Audit Committee Chair. Claire received her ICD.D designation from the Institute of Corporate Directors and she has completed the Making Corporate Boards More Effective program at Harvard Business School and the Advanced Management Program at the University of Chicago's Booth School of Business. She is a Professional Engineer and holds a Bachelor of Laws degree from Queen's University and a Bachelor of Applied Science degree in Chemical Engineering from the University of Toronto. Claire is past Chair of the Governing Council of the University of Toronto and is a member of the Dean's Advisory Board at Rotman.

Eric Noyrez

Mr. Noyrez has been an independent and Lead Director of Neo since October 2017, and prior to which he was an independent director of Neo C&O since August 31, 2016. In October 2018, he was appointed the Chief Executive Officer of Serra Verde Mineracao, a company aiming at developing and producing a rare earths concentrate. Since 2014, he shares his business activities as a board member and advisor. From February 2010 to June 2014, he served successive roles from Chief Operating Officer to Director and Chief Executive Officer at Lynas Corporation, an integrated rare earth mining and separation company. Prior to Lynas, he served as President of the SILCEA division of Rhodia (named Solvay S.A. now) and before 2000, spent 11 years in different business leadership roles at Shell. Eric started his career as an automotive designer at Peugeot-Citroën. He holds a Master's Degree in Engineering (Meng) from École des Mines de Douai, France.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Pre-Approval Policies and Procedures

In the event that the Corporation wishes to retain the services of the Corporation's external auditors for any non-audit services, prior approval of the Audit Committee must be obtained.

Audit Fees

The aggregate fees billed by the Corporation's external auditor for audit fees in the last two fiscal years are approximately as follows:

Financial Year Ended	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2021	\$2,062,524	\$5,061	\$278,589	nil
December 31, 2020	\$1,917,897 ⁽¹⁾	\$5,582	\$208,366	nil

Note:

- (1) The fees for December 31, 2020 and 2021 include fees associated with Neo's treasury and secondary offerings, administrative and out-of-pocket expenses.

The nature of the category and description of fees is summarized below.

Audit Fees. The fees disclosed in the table above under the item "Audit Fees" represent fees billed for audit and interim review services performed in connection with Neo's consolidated financial statements, as well as consent procedures in respect of the secondary offering.

Audit Related Fees. The fees disclosed in the table above under the item "Audit Related Fees" represent fees related to assurance, due diligence and related services not included in audit services, including transfer pricing.

Tax Fees. These fees were for tax compliance services and tax advice and planning.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is currently composed of three independent directors. This Committee is responsible for: (i) making recommendations to the full Board with respect to developments in the area of corporate governance and the practices of the Board; (ii) developing the Corporation's approach to governance issues; and (iii) reporting to the Board with respect to appropriate candidates for nominations to the Board, and for evaluating the performance of the Board.

HESS Committee

The primary function of the Health, Environment, Safety and Sustainability ("**HESS**") Committee of the Board is to assist the Board in fulfilling its oversight responsibilities relating to the Company's policies, standards, goals and objectives, and compliance systems regarding HESS matters. The HESS Committee shall provide oversight on work relative to: (i) the protection of the health and safety of employees, contractors, customers, and the public; (ii) the protection of Company property; (iii) the protection of the environment and; (iv) the promotion of sustainable business practices.

Orientation and Continuing Education

New directors of the Corporation will participate in an initial information session on the Corporation in the presence of its senior executive officers to learn about, among other things, the business of the Corporation, its financial situation and its strategic planning. In addition, new directors will be furnished with appropriate documentation, providing them with information about, among other matters, the corporate governance practices of the Corporation, the structure of the Board and its committees, the Corporation's history, its commercial activities, its corporate organization, the charters of the Board and its committees, the Corporation's articles of incorporation and by-laws, the Code of Conduct (as defined below) and other relevant corporate policies.

The Corporation will encourage all directors to attend continuing education programs and intends to facilitate such continuing education of its directors by providing them with information on upcoming courses and seminars that may be relevant to their role as directors or hosting brief information sessions during Board meetings by invited external advisors. In addition, the Corporation's management will periodically make presentations to the directors on various topics, trends and issues related to the Corporation's activities during meetings of the Board or its committees, which will be intended to help the directors to constantly improve their knowledge about the Corporation and its business.

Ethical Business Conduct

The Board has adopted a written Code of Conduct (the "**Code of Conduct**") that applies to all of its directors, officers and employees, as well as its direct and indirect subsidiaries. The objective of the Code of Conduct is to provide guidelines for demonstrating the highest standard of business conduct and enhancing its reputation for honesty, integrity and the faithful performance of undertakings. The Code of Conduct addresses maintaining a positive work environment, conflicts of interest, confidentiality, use and protection of the Corporation's assets and inventions, use of the Corporation's email and Internet services, financial integrity, compliance with laws and reporting misconduct.

As part of its Code of Conduct, any person subject to the Code of Conduct is required to avoid any activity, interest (financial or otherwise) or relationship that would create or appear to create a conflict of interest.

The directors are responsible for monitoring compliance with the Code of Conduct, for regularly assessing its adequacy, for interpreting the Code of Conduct in any particular situation and for approving changes to the Code of Conduct from time to time. As part of the Board monitoring compliance with the Code of Conduct, the Corporation has established procedures by which employees can make a confidential report of wrongdoing or suspected wrongdoing through a third party corporation. The Board receives and reviews such reports on a regular basis.

Directors and executive officers are required by applicable law and the Corporation's corporate governance practices and policies to promptly disclose any potential conflict of interest that may arise. If a director or executive officer has a material interest in an agreement or transaction, applicable law and principles of sound corporate governance require them to declare the interest in writing and where required by applicable law, to abstain from voting with respect to such agreement or transaction.

A copy of the Code of Conduct may be obtained free of charge by contacting the Corporation and is available for review under the Corporation's profile on the SEDAR website at www.sedar.com.

The Corporation has also adopted a disclosure policy, which complements the obligations of its directors, officers and employees under the Code of Conduct.

Assessments

The Board does not formally review the contribution and effectiveness of the Board, its members or committees. The Board believes that its size facilitates an informal review process through discussion and evaluation between the Chair of the Board, the Lead Director, the Chief Executive Officer and the Chair of the Compensation Committee.

Majority Voting Policy

In accordance with the requirements of the TSX, the Corporation has adopted a majority voting policy in director elections that will apply at any meeting of its shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation as a director to the Chair of the Board promptly following the applicable shareholders' meeting. Following receipt of the resignation, the Board will consider whether or not to accept the offer of resignation, and will do so absent exceptional circumstances. Within 90 days following the applicable shareholders' meeting, the Board shall publicly disclose its decision whether or not to accept the applicable director's resignation, including the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board at which the resignation is considered.

Board Removal

The Corporation has not adopted term limits or other mechanisms of Board renewal for directors of the Corporation. The Board believes that the need to have experienced directors who are familiar with the business of the Corporation must be balanced with the need for renewal, fresh perspectives and a healthy skepticism when assessing management and its recommendations. In addition, as mentioned above, the Board undertakes an assessment process that evaluates its effectiveness.

While term limits can help ensure the Board gains fresh perspective, the Board believes that term limits have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and thereby provide an increasing contribution to the Board as a whole.

Board and Executive Officer Diversity

The Corporation recognizes and embraces the benefits of having diversity on the Board and in its senior management. Presently, the Corporation has two female directors, representing approximately one-third of the directors independent of management of the Corporation.

The Corporation also recognizes that the Board and its senior management appointments must be based on performance, ability, merit and potential. Therefore, the Corporation ensures a merit-based competitive process for appointments. The Corporation's commitment to diversity will include ensuring that diversity is fully considered by the Board in identifying, evaluating and recommending Board appointees/nominees. Accordingly, the Corporation has not adopted a diversity policy at this time.

With respect to the Board composition, as appropriate, the Board will: (i) assess the effectiveness of the Board appointment/nomination process at achieving the Corporation's diversity objectives; and (ii) consider and, if determined advisable, recommend for adoption, measurable objectives for achieving diversity on the Board. At any given time, the Board may seek to adjust one or more objectives concerning diversity and measure progress accordingly.

By-Laws

Advance Notice Provisions

The by-laws of the Corporation include certain advance notice provisions with respect to the election of directors (the "**Advance Notice Provisions**"). The Advance Notice Provisions are intended to: (i) facilitate orderly and efficient annual general meetings or, where the need arises, special meetings; (ii) ensure that all shareholders receive adequate notice of Board nominations and sufficient information with respect to all nominees; and (iii) allow shareholders to register an informed vote. Only persons who are nominated by shareholders in accordance with the Advance Notice Provisions will be eligible for election as directors at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors.

Under the Advance Notice Provisions, a shareholder wishing to nominate a director would be required to provide the Corporation prior notice, in the prescribed form, within the prescribed time periods. These time periods include: (i) in the case of an annual meeting of shareholders (including annual and special meetings), not less than 30 days prior to the date of the annual meeting of shareholders; provided, that if the first public announcement of the date of the annual meeting of shareholders (the "**Notice Date**") is less than 50 days before the meeting date, not later than the close of business on the 10th day following the Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for any purpose which includes electing directors, not later than the close of business on the 15th day following the Notice Date, provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*) is used for delivery of proxy-related materials in respect of a meeting described above, and the Notice Date in respect of the meeting is not less than 50 days prior to the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the applicable meeting.

Forum Selection

The by-laws of the Corporation include a forum selection provision in its by-laws that provides that, unless the Corporation consents in writing to the selection of an alternative forum, the Superior Court of Ontario (Commercial List), Canada and the appellate courts therefrom will be the sole and exclusive forum for: (i) any derivative action or proceeding brought on the Corporation's behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of the Corporation's directors, officers, or other employees to the Corporation; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the applicable corporate laws or the articles of incorporation or the by-laws of the Corporation (as either may be amended from time to time); or (iv) any action or proceeding asserting a claim otherwise related to the relationships among the Corporation, its affiliates and their respective shareholders, directors and/or officers, but excluding claims related to the business carried on by the Corporation or its affiliates and their respective shareholders, directors and/or officers. The forum selection provision also provides that the Corporation's securityholders are deemed to have consented to personal jurisdiction in the

Province of Ontario and to service of process on their counsel in any foreign action initiated in violation of the foregoing provisions.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set out below is information as of December 31, 2021 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance.

Equity Compensation Plan Information

As at December 31, 2021, the maximum number of securities available to be issued pursuant to the Omnibus Plan are set out below:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights as at December 31, 2021 (a)	Weighted average exercise price of outstanding options, warrants and rights as at December 31, 2021 (C\$) (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) as at December 31, 2021 (c)
Omnibus Plan	470,130		2,106,806
Option Plan	121,169		-
Legacy Plan	710,354		-
Total	1,301,653	10.63	2,106,806

DIRECTOR'S AND OFFICER'S INSURANCE

The Corporation has purchased, at its expense, director's and officer's liability insurance in the aggregate amount of US\$50 million for the protection of its directors and officers against liability incurred by them in their capacities as directors and officers of the Corporation and its subsidiaries.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed in this Information Circular, no person who has been a director or executive officer of the Corporation since the beginning of the last financial year, no proposed nominee for election as a director of the Corporation and no associate or affiliate of any such director or executive officer has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated below or elsewhere in this Information Circular, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation, nor any associated or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

NORMAL COURSE ISSUER BID

On June 1, 2021, the Corporation announced that the TSX had accepted a notice filed by the Corporation of its intention to make a Normal Course Issuer Bid ("NCIB"). The notice provides that the Corporation may, during the 12 month period commencing June 4, 2021 and ending June 3, 2022, purchase on the TSX up to 2,111,758 Common Shares in total, being approximately 10% of the public float (common shares not held by insiders and related parties). All Common Shares purchased pursuant to the NCIB are purchased for cancellation, and all such purchases are made on the open market through the facilities of the TSX. The price which the Corporation pays for any such shares will be the market price at the time of acquisition. As of the date hereof, under the current NCIB, the Corporation has not purchased any Common Shares.

OTHER BUSINESS

Management of the Corporation knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if matters not now known to management should come before the Meeting, Common Shares represented by proxies solicited by management will be voted on each such matter in accordance with the best judgment of the nominees voting same.

PART IV ADDITIONAL INFORMATION

A copy of the following documents may be obtained, without charge, upon request to the Secretary, Neo Performance Materials Inc., Suite 1740, 121 King Street West, Toronto, Ontario, M5H 3T9, telephone (416) 367-8588, telefax (416) 367-5471:

- (a) the Financial Statements of the Corporation for the year ended December 31, 2021 and the management's discussion and analysis thereof; and
- (b) this Information Circular.

Additional information relating to the Corporation is available online from the Corporation's website at www.neomaterials.com and on SEDAR at www.sedar.com. Financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for its most recently completed financial year, a copy of which can be accessed online from the Corporation's website at www.neomaterials.com and on SEDAR at www.sedar.com.

DIRECTORS' APPROVAL

The contents of this Information Circular and the sending of it to the Shareholders of the Corporation, to each director of the Corporation, to the auditor of the Corporation and to the appropriate governmental agencies have been approved by the Board.

Unless otherwise noted, the information contained herein is given as of May 16, 2022.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED: May 16, 2022.

By Order of the Board

/s/ "***Constantine E. Karayannopoulos***"

President and Chief Executive Officer

/s/ "***Alexander D. Caldwell***"

Corporate Secretary

APPENDIX "A"

GLOSSARY OF TERMS

"**Arrangement**" means the Cayman Islands scheme of arrangement completed on November 30, 2017, pursuant to which the Corporation acquired all of the issued and outstanding ordinary shares of Neo Cayman for an aggregate of 39,878,383 Common Shares;

"**Articles**" means the articles of continuance of the Corporation, as amended from time to time;

"**Board**" means the board of directors of the Corporation;

"**Business Day**" means a day, other than Saturdays, Sundays and statutory holidays, when the banks conducting business in the City of Toronto are generally open for the transaction of banking business;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation**" means Neo Performance Materials Inc.;

"**Information Circular**" means the management information circular of the Corporation dated May 16, 2022;

"**Legacy Plan**" means the management incentive plan of Neo Cayman;

"**Meeting**" means the annual general meeting of Shareholders to be held on June 28, 2022 and any adjournment or postponement thereof;

"**Molycorp Acquisition**" means the acquisition of NEM by Molycorp Inc. by way of plan of arrangement, which became effective on June 11, 2012;

"**NEM**" means Neo Material Technologies Inc., the predecessor entity to Neo Cayman, which was acquired by Molycorp Inc., in the Molycorp Acquisition;

"**Neo Cayman**" means Neo Cayman Holdings Ltd., a company organized under the laws of the Cayman Islands, which the Corporation acquired pursuant to the Arrangement;

"**Neo C&O**" means Neo Chemicals and Oxides, LLC, an indirect subsidiary of the Corporation;

"**Notice of Meeting**" means the notice of meeting sent to Shareholders in respect of the Meeting;

"**OBCA**" means the *Business Corporations Act* (Ontario), as amended from time to time;

"**Omnibus Plan**" means the omnibus long-term incentive plan of the Company adopted by the Board on May 28, 2021 and to be approved by Shareholders at the Meeting;

"**Option Plan**" means the option plan of the Corporation dated October 13, 2017;

"**Reorganization**" means the reorganization of the business of Molycorp, Inc., a predecessor company to the Corporation, under Chapter 11 of Title 11 of the United States Bankruptcy Code;

"**Shareholders**" means holders of Common Shares; and

"**TSX**" means the Toronto Stock Exchange.

APPENDIX "B"

Neo Performance Materials Inc. (the "Company")

MANDATE OF THE BOARD OF DIRECTORS

As approved by the Board of Directors of the Company (the "**Board**") on November 7, 2017, as amended by same on May 11, 2021.

A. MANDATE

The Board directly, and through its committees, oversees the management of the Company and is responsible for the stewardship of the Company, ensuring that long-term value is being created for all of its shareholders while considering the interests of the Company's various stakeholders including employees, customers, suppliers and the community.

B. BOARD COMPOSITION

The number of directors may be set from time to time by the Board within the minimum and maximum numbers approved by the Company's shareholders and as set out in the Company's constating documents. The directors shall be elected by the Company's shareholders, except as permitted by the *Business Corporations Act* (Ontario). If a vacancy occurs, the Board may identify, select and approve a replacement director, or may decide to reduce the size of the Board. The Board shall be comprised of an appropriate mix of directors to comply with applicable securities regulations, including any requirements in terms of director independence. A director shall be considered independent if he or she would be considered independent for the purposes of National Instrument 58-101 — *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

The Board will appoint a Chair (the "**Chair**") and a Corporate Secretary. The Chair shall be designated from among the members of the Board. If the Chair is not independent for the purposes of NI 58-101, then a majority of the Board's independent directors shall appoint an independent lead director (the "**Lead Director**") from among the directors, who shall serve for such term as the Board may determine. The Lead Director or non-executive Chair shall chair any meetings of the independent directors and assume such other responsibilities as the independent directors may designate in accordance with any applicable position descriptions or other applicable guidelines that may be adopted by the Board from time to time.

C. MEETINGS AND BOARD PROCESS

The Board shall meet at least four times per year, once after each quarter to review financial information and annual continuous disclosure materials required by the Canadian Securities Administrators have been prepared. The Board will meet more frequently if circumstances dictate.

Board meetings will allow for input from all Board members. Any director may request that the Lead Director or non-executive Chair co-ordinate a meeting of the non-executive members of the Board.

The Chair shall be responsible for establishing or causing to be established the agenda for each Board meeting. The Board and the Board committees liaison with the Company will be principally through the Company's Chief Executive Officer. The Board may, from time to time, assign specific duties and tasks to individuals or committees.

An Audit Committee, Corporate Governance and Nominating Committee (the "**Corporate Governance Committee**"), HESS (Health, Environmental, Safety and Sustainability) Committee and a Compensation and Human Resources Committee (the "**Compensation Committee**" and together with the Audit Committee, the Corporation Governance Committee and the HESS Committee, the "**Committees**") have been established. Each of the Committees shall operate under a written mandate document approved by the Board.

Periodically the Board will evaluate the effectiveness of the Board as a whole and ensure that appropriate succession plans are in place. This may include reviewing the process for nominating, orienting and remunerating Board members, determining the committees required and changing the mandates for the Committees.

The Board has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and has direct access to the books, records, facilities and personnel of the organization. The Board has the ability to retain, at the

Company's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

D. RESPONSIBILITIES

The Board members shall ensure that:

- (a) all Board members understand the business of the Company;
- (b) processes are in place to effectively plan, monitor and manage the long-term viability of the Company;
- (c) there is a balance between long and short-term goals and risks;
- (d) management's performance is adequate and that an adequate management succession plan is in place;
- (e) communication with shareholders and other stakeholders is timely and effective;
- (f) the Board shall adopt appropriate procedures designed to permit the Board to receive feedback from shareholders on material issues;
- (g) business is conducted ethically and in compliance with applicable laws and regulations; and
- (h) all matters requiring shareholder approval are referred to them.

E. OPERATIONAL MATTERS

In the process of executing its responsibilities the Board will:

- (a) review corporate performance on a quarterly basis;
- (b) review and approve dividend payments, if any;
- (c) review and approve Company banking and borrowing resolutions;
- (d) review and approve any changes in the issued shares;
- (e) review accounting policies, internal control and audit procedures;
- (f) review and approve the annual continuous disclosure materials required by the Canadian Securities Administrators;
- (g) review and approve the annual financial statements and the interim quarterly results;
- (h) recommend to the shareholders the appointment of auditors and their remuneration; and
- (i) provide advice to management.

F. CODE OF CONDUCT

The Board must adopt a written Code of Ethics and Business Conduct (the "**Code**") as part of its efforts to promote a culture of integrity and honesty throughout the Company. The Code will apply to the Board itself and to the Company's management and employees. Only the Board may grant any waivers to the Code. If the Board grants a waiver to the Code, the Board will determine if disclosure of the waiver is necessary in accordance with applicable laws and stock exchange rules. Contents of such disclosure will be in compliance with National Policy 58-201 — *Corporate Governance Guidelines* and NI 58-101.

G. WHISTLEBLOWER POLICY

The Board will, in conjunction with the Audit Committee, establish a whistleblower policy for the Company allowing Company employees, officers, directors and other stakeholders, including the public, to raise, anonymously or not, questions, complaints or concerns about the Company's practices, including fraud, policy violations, any illegal or unethical conduct and any Company accounting, auditing or internal control matters. The Board will ensure that any questions, complaints or concerns are adequately received, reviewed, investigated, documented and resolved.

