FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. **Name and Address of Company**

Neo Performance Materials Inc.
121 King St West, Suite 1740
Toronto, Ontario M5H 3T9

Item 2. **Date of Material Change**

May 26, 2023

Item 3. **News Releases**

A press release in the form of Schedule "A" attached hereto was disseminated on May 26, 2023 via CNW Group and subsequently filed on the System for Electronic Document Analysis and Retrieval (www.sedar.com).

Item 4. **Summary of Material Change**

Neo Performance Materials Inc. ("**Neo**", the "**Company**") (TSX: NEO) announced the appointment of Jonathan Baksh as Chief Financial Officer and Executive Vice President, to be effective June 19, 2023.

Item 5. **Full Description of Material Change**

5.1 Full Description of Material Change

See Schedule "A" attached.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

The report is not being filed on a confidential basis.

Item 7. **Omitted Information**

No significant facts have been omitted from this report.

Item 8. **Executive Officer**

The following officer may be contacted for further information:

Alexander Caldwell
Vice President, Administration and Corporate Secretary
inquiries@neomaterials.com

Item 9. **Date of Report**

This report is dated this 26th of May, 2023.

SCHEDULE "A"

neo
Performance Materials

NEWS RELEASE

Neo Announces New Chief Financial Officer

TORONTO, Canada, May 26, 2023 – Neo Performance Materials Inc. ("**Neo**" or the "**Company**") (**TSX: NEO**) announced today the appointment of Jonathan Baksh as Chief Financial Officer and Executive Vice President, to be effective June 19, 2023.

Neo's Chair Claire Kennedy said, "Following a rigorous search process, it is my pleasure to welcome Jonathan to Neo. He joins the management team with a proven, superior track record as a finance executive in capital-intensive industries that create value in a volatile, global supply chain environment. He is a consequential executive that drove working capital improvements and oversaw growth. This positions him as a excellent complement to Neo's management, as they execute the magnetics growth strategy."

In his role as CFO and EVP, Mr. Jonathan Baksh will lead Neo's global finance functions, such as accounting, tax, internal audit, controllership, financial planning, and treasury. He will be based at Neo's Toronto headquarters.

Mr. Jonathan Baksh's experience spans from being the financial steward of value-added manufacturing in the critical supply chains of semi-conductors to overseeing as Divisional CFO of a multi-billion dollar global business unit in the Electronic Manufacturing Services industry at Celestica's Advanced Technology Solutions (ATS). Earlier in his career, he delivered deployments of innovative finance operating and quoting standardization systems across multiple manufacturing businesses. He launched his career at General Electric's premier Internal Audit leadership program, and eventually won the Annual Chairman's Circle Award – the highest honor for outstanding performance. He holds both the Chartered Professional Accountant and Chartered Management Accountant designations.

Rahim Suleman, Neo's President and Interim CFO who will assume the position of CEO and President on July 7, 2023, when Constantine Karayannopoulos retires from the Company, said, "I want to welcome Jonathan to the senior executive team at Neo. His experience at Celestica and General Electric, in businesses serving highly-regulated manufacturing customer constituencies and of large capital projects, is critical for Neo's successful execution of our short-term value creation and long-term growth strategies."

Jonathan Baksh said, "Over the past three decades, Neo has built a highly differentiated position in rapidly growing markets of energy transition and clean technologies. This places the business at the forefront of some of the most interesting opportunities created from global supply chain transformations. I am thrilled to be joining the Neo team and to be building on that success."

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About Neo Performance Materials

Neo manufactures the building blocks of many modern technologies that enhance efficiency and sustainability. Neo's advanced industrial materials - magnetic powders and magnets, specialty chemicals, metals, and alloys - are critical to the performance of many everyday products and emerging technologies. Neo's products help to deliver the technologies of tomorrow to consumers today. The business of Neo is organized along three segments: Magnequench, Chemicals & Oxides and Rare Metals. Neo is headquartered in Toronto, Ontario, Canada; with corporate offices in Greenwood Village, Colorado, United States; Singapore; and Beijing, China. Neo has a global platform that includes 9 manufacturing facilities located in China, the United States, Germany, Canada, Estonia, and Thailand, as well as one dedicated research and development centre in Singapore. For more information, please visit www.neomaterials.com.

Cautionary Statements Regarding Forward-Looking Statements

This news release may contain "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, but not always, forward-looking information and statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof. Specific forward-looking statements in this news release include, but are not limited to, the continued expansion of Neo's operations and succession planning-related matters. In making the forward-looking information in this news release, the Company has applied certain factors and assumptions that are based on its current beliefs as well as assumptions made by and information currently available to the Company. Although the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect, and the forward-looking information in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking information.

Readers are cautioned not to place undue reliance on forward-looking information. The Company does not intend, and expressly disclaims any intention or obligation to, update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by law. For more information on Neo, investors should review Neo's continuous disclosure filings that are available under Neo's profile at www.sedar.com.

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