

Form 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to the common shares in the capital of Nouveau Monde Graphite Inc. (“**NMG**”) of an unsecured convertible note in the aggregate principal amount of US\$25,000,000 (the “**Note**”) of NMG. Interest on the Note is payable quarterly on the last business day of each quarter commencing on December 31, 2022 either in cash or, at the election of NMG and subject to the approval of the TSX Venture Exchange, by capitalizing interest and settling in common shares of NMG (“**Shares**”). Mitsui may convert all or a portion of the outstanding principal amount of the Note into units of NMG (“**Units**”) at a conversion price of US\$5.00 per Unit at any time prior to the maturity date. Each Unit into which the Note is convertible will consist of one Share and one common share purchase warrant of NMG (a “**Warrant**”). Each Warrant is exercisable by Mitsui to purchase one Share at a price of US\$5.70 per Share for a period of 24 months from the date of such Warrant.

NMG’s head office is located at 481 Brassard Street, Saint-Michel-des-Saints, Québec, Canada, J0K 3B0.

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable. See item 2.2 below.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Mitsui & Co., Ltd. (“**Mitsui**”)
2-1, Otemachi 1-chome
Chiyoda-ku, Tokyo
100-8631, Japan

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On October 20, 2022, Mitsui announced that it has entered into a subscription agreement with NMG pursuant to which Mitsui has agreed to purchase, on a private placement basis, the Note for an aggregate subscription price of

US\$25,000,000 (C\$34,447,500 using the average daily rate reported by the Bank of Canada for October 19, 2022).

2.3 State the names of any joint actors.

None.

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror’s securityholding percentage in the class of securities.

See item 2.2. Mitsui will be entitled to acquire 5,000,000 Shares upon conversion of the Note and 5,000,000 Shares on exercise of the Warrants, for an aggregate of 10,000,000 Shares, representing approximately 15.2% of the outstanding Shares as of October 19, 2022.

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See Items 2.2 and 3.1.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror’s securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

Immediately before giving effect to the transaction described in Item 2.2, Mitsui did not have ownership and control over any Shares or other securities of NMG. After giving effect to the transaction described in Item 2.2 above and assuming conversion of the Note and exercise of the Warrants, Mitsui would have ownership or control over 10,000,000 Shares representing approximately 15.2% of the outstanding Shares.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

- (a) **the acquiror, either alone or together with any joint actors, has ownership and control,**

See Item 3.1 and 3.4.

- (b) **the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

Item 4 – Consideration Paid

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

See Item 2.2.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See Item 2.2.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**

- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The Note was acquired for investment purposes. Mitsui will evaluate its investment in NMG from time to time and may at any time, based on such evaluation, market conditions and other circumstances, increase or decrease its securityholdings in NMG or may change its investment strategy as regards NMG.

In connection with the issuance of the Note, Mitsui and NMG will enter into a side letter (the "**Side Letter**"). The Side Letter provides Mitsui with, among other things, certain director nomination and governance rights, pre-emptive rights and other anti-dilution protections and the right to require NMG to purchase all Shares held by Mitsui for an aggregate purchase price of C\$1.00.

On October 20, 2021, Mitsui, NMG and Panasonic Energy Co., Ltd, a wholly-owned subsidiary of Panasonic Holdings Corporation, announced that they had entered into a framework agreement (the "**Framework Agreement**") establishing the terms of the commercial relationship between the parties in relation to the development of NMG's ore-to-battery-market integrated graphite project in Quebec. The Side Letter and the Framework Agreement will become effective upon closing of the subscription for the Note.

Except as disclosed herein, Mitsui currently has no plans or proposal which would relate to or would result in any of the matters described in Items 5.2(a)-(k) above. However, as part of its ongoing evaluation of its investment in NMG and investment alternatives, Mitsui may consider such matters and, subject to applicable law and the terms of the Side Letter, may formulate a plan with respect to such matters and, from time to time, may hold discussions with or make formal proposals to management or the board of directors of NMG, other shareholders of NMG or other third parties regarding such matters.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder’s fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

See item 5.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete.

This report must be signed by each person on whose behalf the report is filed or his or her authorized representative.

It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.

Certificate

I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

DATED October 20, 2022.

MITSUI & CO., LTD.

By: (signed) "Katsuto Kawahara"
Name: Katsuto Kawahara
Title: General Manager, Advanced Metals Division
Performance Materials Business Unit