

GéoMégA Subsidiary Innord Achieves 99.5%+ Magnet Grade Purity Neodymium

HIGHLIGHTS:

- High purity, magnet grade Neodymium oxide of 99.5% achieved and submitted to validation with end users
- Neodymium recovery is 90% and should increase towards 95% during further scale up
- Starting scale-up toward 10 kg/day with cost per unit expected to remain below \$20,000

Montreal, April 11, 2018 – Geomega Resources Inc. (“**GéoMégA**” or the “**Corporation**”) (TSX.V: GMA) is pleased to announce that Innord Inc. (“**Innord**”), a private subsidiary controlled by GéoMégA, has successfully produced 99.5%+ purity neodymium oxide (Nd_2O_3) from industrial residues. The achieved purity is considered magnet grade and has now been submitted for validation to the magnet industry end user who initially provided the industrial residue. In addition, the Corporation would like to announce the nomination of Jean Demers, P. Geo to the board the of directors of GéoMégA. Mr. Demers has been a director of Innord Inc. since November 30, 2016.

Innord’s proprietary Separation of Rare Earth Elements (“REE”) method (the “ISR Method”) has been in development now for 5 years. It was originally based on electrophoretic migration of ions, the Free Flow Electrophoresis (FFE) method, that was successfully demonstrated in 2014 and later scaled up in 2016.

Although the FFE method has been successfully operated in the laboratory setting, scaling the technology to operate in a high throughput refinery plant has been the major technical challenge that Innord was addressing.

Stemming from 3 years of experience with FFE, the Innord team sought to build upon the main advantages of that technology and shift towards a method which exploits the same principles of REE separation, all the while requiring a less sophisticated separation reactor and capable of operating in significantly higher REE concentration conditions (above 100 g/l). The ISR Method uses conventional reagents which are mostly recovered, recycled and re-used, even in the current consecutive batch type operation at Innord’s facility.



Figure 1. +99.5% Neodymium Oxide Powder

The ISR Method meets all the main criteria of an alternative REE separation technology, namely:

- Eliminating the current solvent extraction technology due to its negative environmental impact and high capital cost;
- Presenting competitive operating costs; and
- Offering modular scalability that allows for gradual increase of production and mitigation of capital cost requirements.

The high concentration conditions of the ISR Method are important for lowering operating costs. Innord's current estimates suggest that operating costs associated with its ISR Method are competitive with those of solvent extraction. Additional information will be provided once operation reaches higher throughput. Recovery of neodymium from the feed to final product of 99.5%+ purity is over 90% and is expected to increase to 95% during scale-up in the coming months.

Current equipment is set-up to produce at least 1 kg/day of final product. That set-up cost was estimated by Innord at around \$15,000 (as indicated in the September 19, 2017 press release). Innord is proceeding with scale-up to approximately 10 kg/day in the coming months and the Innord team expects the cost of that unit to remain below \$20,000 due to the simpler and scale-up friendly design of the ISR Method.

The industrial residue of choice that Innord is focusing on at the moment is that derived from the permanent magnet industry. Its grades are ideal (>25% TREO), it contains only the main REE that the market focuses on today (Nd, Pr, Dy and Tb) and large volumes of it are available throughout Europe and North America.

The management teams at GéoMégA and Innord have identified four main sources (Figure 2) from the downstream market of the permanent magnet industry and have engaged in discussion with all four levels regarding securing supply of industrial residues and potential off-take agreements. Discussions are ongoing and details will be provided when available.

"It has been a long six months of work but we are finally producing 99.5%+ magnet grade / commercial purity neodymium oxide. This is a major achievement for our team. To be able to produce large volumes of high purity neodymium oxide (Nd₂O₃) at a competitive operating cost and a low capital cost is a major breakthrough for rare earth separation. We believe our approach of working with the downstream permanent

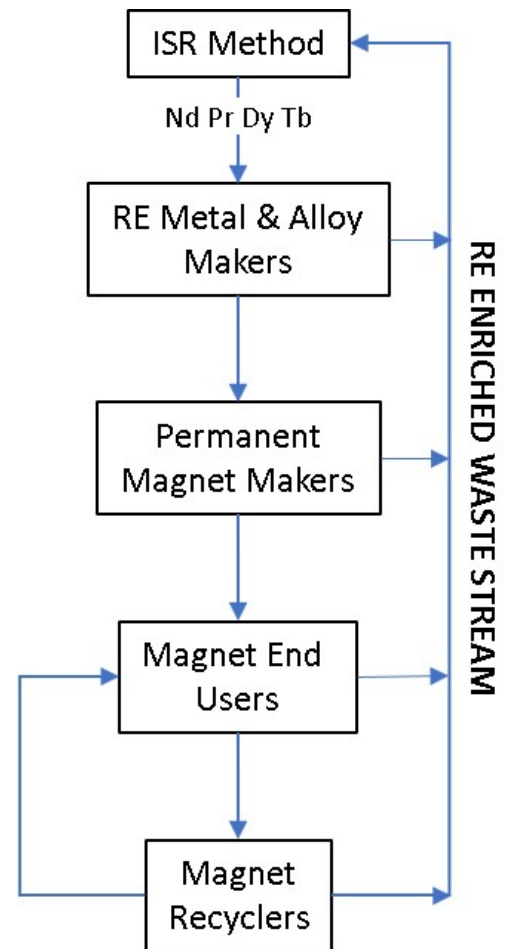


Figure 2. Flow Chart From ISR to Magnet End User

magnet industry will help close the loop in western rare earth supply for the permanent magnet industry while it will de-risk our ISR Method technology. With this major achievement we believe that we are one step closer to having rare earth oxides produced once again in North America. The rare earths are already considered as critical materials, and with the recent geopolitical tensions and threats of trade wars in the news, rare earth elements could take center stage once again similar to 2010 and 2011. The long-term R&D and careful de-risking approach that Innord has committed to could be maturing at exactly the right time.” commented Kiril Mugerma, President and CEO of GéoMégA and Innord.

All the sample analyses have been performed internally by Innord Inc. using ICP-OES.

All the experiments and the technology development have been conducted and supervised by Dr. Pouya Hajiani (PhD Chemical Engineering), CTO of GéoMégA and he approves the technical information in this press release.

About GéoMégA (www.geomega.ca)

GéoMégA is a mineral exploration and evaluation company focused on the discovery and sustainable development of economic deposits of metals in Québec. GéoMégA is committed to meeting the Canadian mining industry standards and distinguishing itself with innovative engineering, stakeholders’ engagement and dedication to local transformation benefits.

About Innord Inc.

Innord is a private subsidiary of GéoMégA of which GéoMégA owns 96.1%. The goal of Innord Inc. is to develop and optimize the proprietary separation process of rare earth elements based on electrophoresis, for which it holds all the rights. Electrophoresis is the migration of charged species (ions, proteins, particles) in solution in the presence of an electric field. Innord has filed patents in Canada and the United States to protect its novel separation process and is looking to file in other jurisdictions.

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