

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

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

Nano One Materials Corp. (“**Nano One**” or the “**Company**”)

Unit 101B – 8575 Government St  
Burnaby, BC,  
Canada, V3N 4V1  
Main (604) 420-2041

**Item 2: Date of Material Change**

December 9, 2024

**Item 3: News Release**

A news release announcing the material change was issued on December 9, 2024, through Accesswire and a copy was subsequently filed on SEDAR.

**Item 4: Summary of Material Change**

On December 9, 2024, the Company announced that it had been awarded C\$18 million from the Government of Québec to support low cost, high efficiency and cleaner LFP cathode production at its Candiatic facility.

**Item 5.1: Full Description of Material Change**

Nano One® Materials Candiatic, a wholly-owned subsidiary of Nano One® Materials Corp. (“Nano One” or the “Company”), a cleantech company with a patented process for the low-cost, low-GHG production of lithium-ion battery cathode active materials, has been granted C\$18 million in financing from the Government of Québec, which includes a C\$15 million loan from the Ministry of the Economy, Innovation and Energy (MEIE) through its mandated organization Investissement Québec, and a C\$3 million grant from the Ministry of the Environment, the Fight against Climate Change, Wildlife and Parks (MELCCFP), through its Technoclimat program. This funding will enable the continuation of piloting and commercialization of the One-Pot™ process, in addition to increasing production capacity of the Candiatic plant.

The C\$15 million loan directly supports approximately \$63.4 million of eligible expenditures between January 1, 2023, through December 31, 2026, at Nano One’s lithium iron phosphate (LFP) production facility in Candiatic, Québec. Nano One estimates C\$30 million of eligible expenditures have been incurred to date. The loan repayment period begins 60 months after first disbursement and will be repaid over a subsequent 60-month period.

The \$3M grant also reimburses expenses incurred at the Candiatic facility, and is directed towards a transition to cleaner and more efficient manufacturing.

The funds apply to some of the expenses incurred during the construction and operation of the company's 200 tpa piloting line that was successfully commissioned in 2023, and for capacity expansion planned at the facility in 2025 and 2026.

Québec's contributions to Nano One's Candiac facility complement the US\$12.9 million in non-dilutive funding awarded to Nano One by the U.S. Department of Defense on September 30, 2024 which is similarly directed towards capacity expansion expenses at the Candiac facility. Support from Québec and the US Government accelerates trials, demonstration and commercialization. This support reinforces Nano One and Québec as leaders in the emerging North American lithium-ion battery supply chain for Electric Vehicles (EV's), Energy Storage Systems (ESS), and defense applications.

The benefits of One-Pot mainly attribute to the elimination of the iron and phosphate precursor steps (pCAM) by integrating them with the lithium addition step (CAM), high efficiency thermal processing, and the elimination of sodium sulphate wastewater. This has the potential to reduce complexity, costs, footprint, and energy intensity compared to incumbent processes. One-Pot enabled facilities could also be easier to site, permit, construct, operate and be decoupled from foreign supply chains of concern. Depending on energy sources and jurisdiction, there could also be a reduction of GHG emissions by up to 50% compared to incumbent methods of producing LFP CAM, as outlined in a full life cycle assessment carried out by Minviro in 2023.

**Item 5.2: Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

**Item 7: Omitted Information**

No information was omitted.

**Item 8: Executive Officer**

Dan Blondal, CEO, Phone: 604-420-2041

**Item 9: Date of Report**

December 13, 2024