

Nano One Announces Closing of Agreement to Sell and Lease Back Its Candiatic Building and Property

written by Raj Shah | March 3, 2025

Highlights:

- *C\$15.7 million in estimated net proceeds from sale of land and building in Candiatic, Quebec.*
- *Strengthened balance sheet leverages government funding announced in 2024.*
- *Supports capacity expansion at Candiatic to over 1000tpa of LFP cathode production.*
- *Ensures operational continuity and long-term stability.*

March 3, 2025 ([Source](#)) – Nano One® Materials Corp. (“Nano One” or the “Company”)(TSX:NANO)(OTC:NNOMF)(Frankfurt:LBMB), a process technology company specializing in lithium-ion battery cathode active materials, is pleased to announce that it has successfully closed the transaction announced on February 25, 2025, for the sale and lease back of its Candiatic building and surrounding property in Candiatic, Québec for estimated net proceeds of C\$15.7 million (the “Transaction”). This Transaction significantly strengthens the Company’s financial position while supporting long-term operational stability.

Mr. Carlo Valente, CFO of Nano One, commented, “This Transaction reinforces our financial flexibility and ensures that we remain well-positioned to advance our commercialization efforts. It enables us to leverage over C\$40 million in government funding

while expanding our operations in alignment with our strategic vision.”

For further context into how this action supports Nano One’s objectives, please view the recent video with Mr. Alex Holmes, COO:

<https://nanoone.ca/news/nano-one-sells-and-leases-back-cadiac-facility-to-strengthen-cash-position-and-expand-operations/>

Key Terms

The Transaction closed on February 28, 2025, and includes a vendor loan of C\$2 million structured as a deferred payment secured by an immovable hypothec. Transaction costs inclusive of a lease security deposit are approximately C\$1.3 million, resulting in estimated net proceeds of C\$13.7 million at closing. The vendor loan incurs interest at 4% per annum and the deferred payment is due C\$1 million plus interest upon the third anniversary and C\$1 million plus interest upon the sixth anniversary from the date of closing. In addition to the proceeds and pursuant to a capital investment agreement, a separate C\$3 million reserve will be funded by the purchaser and held in escrow to fund potential capital improvements, should the purchaser deem them necessary subsequent to closing.

As part of the Transaction, Nano One has entered into a lease agreement for an initial term of 15 years, with renewal options for up to an additional 15 years. Additionally, the Company retains a right of first offer should the purchaser decide to sell in the future, ensuring long-term stability for the Company’s operations.

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About Nano One®

Nano One® Materials Corp. (Nano One) is a technology company changing how the world makes cathode active materials for lithium-ion batteries. Applications include stationary energy storage systems (ESS), portable electronics, and electric vehicles (EVs). The Company's patented One-Pot process reduces costs, is easier-to-permit, lowers energy intensity, environmental footprint, and reliance on problematic supply chains. The Company is helping to drive energy security, supply chain resilience, industrial competitiveness and increased performance through process innovation. Scalability is proven and being demonstrated at Nano One's LFP (lithium-iron-phosphate) pilot production plant in Québec-leveraging the only facility and expertise of its kind outside of Asia. Strategic collaborations and partnerships with international companies like Sumitomo Metal Mining, Rio Tinto, and Worley are supporting a *design-one-build-many* licensing growth strategy-delivering cost-competitive, easier-to-permit and faster-to-market battery materials production solutions world-wide. Nano One has received funding from the Government of Canada, the Government of the United States, the Government of Québec, and the Government of British Columbia.

For more information, please visit www.nanoone.ca

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Cautionary Notes and Forward-looking Statements

Certain information contained herein may constitute "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. All statements,

other than statements of historical fact, are forward-looking statements. Forward-looking information in this news release includes but is not limited to: the timely and successful closing of the Transaction; use of proceeds; the Company's current and future business and strategies; the intention to grow the business, operations, revenues, and potential activities of the Company; general economic conditions; the functions and intended benefits of Nano One's technology and products; the development of the Company's technology, supply chains and products; scalability of developed technology; current and future collaboration engineering, and optimization research projects; continued innovation on manufacturing processes, equipment and recycling; successful execution of the Company's milestones; and the acceleration and execution of the Company's plans – which are contingent on support, grants and long-term support from the Company's shareholders. Generally, forward-looking information can be identified by the use of terminology such as 'believe', 'expect', 'anticipate', 'plan', 'intend', 'continue', 'estimate', 'may', 'will', 'should', 'ongoing', 'target', 'goal', 'potential' or variations of such words and phrases or statements that certain actions, events or results "will" occur. Forward-looking statements are based on the current opinions and estimates of management as of the date such statements are made are not, and cannot be, a guarantee of future results or events. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including but not limited to: the successful conclusion of the Transaction; use of proceeds; general and global economic and regulatory changes; next steps and timely execution of the Company's business plans; the development of technology, supply chains, and plans for

construction, scale-up and operation of cathode production facilities; successful current or future collaborations that may happen with OEM's, miners or others; successful execution of the Company's milestones; the execution of the Company's plans which are contingent on support and grants; the Company's ability to achieve its stated goals; the commercialization of the Company's technology and patents via license, joint venture and independent production; anticipated global demand, adoption and projected growth for LFP batteries; and other risk factors as identified in Nano One's MD&A and its Annual Information Form dated March 27, 2024, both for the year ended December 31, 2023, and in recent securities filings for the Company which are available at www.sedarplus.ca. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake any obligation to update any forward-looking statements or forward-looking information that is incorporated by reference herein, except as required by applicable securities laws. Investors should not place undue reliance on forward-looking statements. Please note that any links provided to third party websites are for informational purposes only. The Company does not endorse or take responsibility for the content, accuracy, or any other aspect of these websites. Additionally, the Company is not liable for any damages or loss arising from the use or access of any third party website linked to from our platform. Viewers should exercise their own discretion and review the terms of use

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