

# Nano One Announces Closing of Candiac Acquisition from Johnson Matthey and Appoints Denis Geoffroy as Chief Commercialization Officer

written by Raj Shah | October 31, 2022

October 31, 2022 ([Source](#)) – (TSX:NANO)(OTC PINK:NNOMF)(Frankfurt:LBMB) Nano One® Materials Corp. (“Nano One” or the “Company”) a clean technology innovator in battery materials, is pleased to announce that, through a wholly owned subsidiary, it has successfully completed the acquisition (“Acquisition”) of Johnson Matthey Battery Materials Ltd. (“JMBM Canada”) previously announced on May 25, 2022. Net consideration for the Acquisition was C\$10.25 million<sup>1</sup>, subject to customary closing adjustments and was fully funded from cash on hand. The Company held C\$48 million cash on hand as of June 30, 2022, in addition to the Acquisition consideration.

## Highlights

The Acquisition helps expedite Nano One’s business strategy for LFP and other battery materials, and includes:

- A talented and dedicated workforce of 46 professionals with almost 400 years of scale-up, commercialization, and cathode manufacturing know-how on LFP.
- The only existing North American lithium iron phosphate (“LFP”) production facility.
- An 80,000 square foot, 2,400 tpa capacity LFP production facility on 9.5 acres, strategically located near

Montréal.

- Certification systems supplying tier 1 cell manufacturers for the automotive sector.

The Company is further pleased to announce that Denis Geoffroy, a seasoned lithium-ion battery value chain and cathode manufacturing leader has been appointed Chief Commercialization Officer of Nano One, effective Nov 1, 2022. Denis was an early contributor to Phostech Lithium, which led the first commercial manufacturing of LFP cathode active materials globally. Under Denis' leadership Phostech Lithium commercialized LFP in Québec and grew from pilot to full industrial commercialization with the build of the Candiatic LFP plant and commencement of commercial operations in 2012. Denis went on to lead the Candiatic operations as General Manager until 2019.

Mr. Dan Blondal, Nano One CEO, said, *"Today marks the beginning of an exciting new chapter in the Nano One story. I am pleased to report that the entire team in Candiatic has transitioned to Nano One and this positions us with the most experienced LFP workforce in North America. We welcome their addition to the Nano One family and are looking forward to building and expanding the scope and trajectory of our operations over the coming months and years. Denis has contributed significantly to Nano One over the past year and played an integral role in the acquisition of JMBM Canada and we are delighted to be appointing him as Chief Commercialization Officer. We are confident that Nano One can create significant, long-term value for stakeholders by leveraging our enhanced resources, know-how and patented One-Pot cathode manufacturing technology to address the critical mineral and scale-up challenges of a terawatt-hour world."*

The Candiatic facility and team in Montreal will be a base for the expansion and acceleration of Nano One's commercialization

strategy and is a perfect complement to Nano One's technology innovation hub and team in Burnaby, British Columbia.

Integration activities, with advisory services from Business Development Bank of Canada (BDC) and other specialty consultants, have been underway for the past few months with a focus on finance, human resources, governance, IT, marketing, communications, facilities, enterprise systems, manufacturing, procurement, and logistics. This work is expected to continue into Q2 2023 and work to date has put Nano One in a strong position, at this time, with the Acquisition now complete, to execute on its organizational and business plans.

The Company will begin with trials in the Candiatic facility to validate the production of LFP using the Company's patented One-Pot process. Results from these trials will drive business, commercial and plant conversion decisions in 2023. In support of these post-closing activities, Nano One has been planning, engineering, and developing business channels for many months already, in close collaboration with key employees at the Candiatic facility. This will enable the newly expanded company to move quickly.

Critical raw material inputs and equipment, such as One-Pot reactors, have been ordered. A local engineering firm, with team members that participated in the design and build of the Candiatic facility a decade ago, has been engaged to assist with large pilot trials of the One-Pot process, and this brings valuable experience that will help bridge the learning curve and expedite the transition of the facility to Nano One.

Nano One has done extensive analyses of the techno-economics, critical minerals, carbon footprint and environmental impact of its One-Pot process. The Company believes there is a significant opportunity to differentiate both economically and

environmentally, and to create a sustainably robust and secure supply chain to serve markets in Canada, USA, Europe, and other emerging battery jurisdictions.

Furthermore, Nano One will launch engineering activities for the design, construction, and operation of a commercial LFP facility. Site selection for this plant will be done in collaboration with partners and will consider governmental and non-governmental support in various jurisdictions.

It is the Company's intention, to use this plant as a blueprint for large multi-line production facilities under a hybrid business model that includes licensing, joint venture and independent production in Canada, USA and other emerging critical mineral jurisdictions. This strategy is aimed at serving outsized demand from the energy storage, mobility, and electric vehicle markets. Details will be disclosed as the Company firms them up.

The Candiatic production facility has been in operation since 2012 and was acquired by Johnson Matthey in 2015. It has been a supplier of lithium iron phosphate (LFP) cathode material to the lithium-ion battery sector for both automotive and non-automotive applications for a select group of customers, globally. Strategically located in Candiatic, Québec, it has the benefit of access to a rapidly developing North American ecosystem which will serve the broader global community with cost-effective, resilient, and environmentally sustainable cathode materials.

M. Denis Geoffroy said *"As part of my work on LFP over the last 20 years, I helped develop, design, build and run the Candiatic plant. When I joined Nano One a year ago to lead their commercialization effort, the opportunity quickly arose to bring these two great teams together and harness the best people with*

*the most complimentary skillsets. The team in Candiac has a passion for excellence, an entrepreneurial spirit, and they have successfully scaled two different processes on their journey to commercialize LFP 10 years ago. I, like them, am inspired to transform the industry once again, leverage our combined experiences to accelerate the opportunity and blaze new trails with Nano One."*

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## **About Nano One**

Nano One® Materials Corp (Nano One) is a clean technology company with a patented, scalable and low carbon intensity industrial process for the low-cost production of high-performance lithium-ion battery cathode materials. The technology is applicable to electric vehicle, energy storage, consumer electronic and next generation batteries in the global push for a zero-emission future. Nano One's One-Pot process, its coated nanocrystal materials and its Metal to Cathode Active Material (M2CAM®) technologies address fundamental performance needs and supply chain constraints while reducing costs and carbon footprint. Nano One has received funding from various government programs and the current "Scaling of Advanced Battery Materials Project" is supported by Sustainable Development Technology Canada (SDTC) and the Innovative Clean Energy (ICE) Fund of the Province of British Columbia. For more information, please visit [www.nanoone.ca](http://www.nanoone.ca).

Changing how the world makes battery materials.

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December 31, 2021, and in recent securities filings for the Company which are available at [www.sedar.com](http://www.sedar.com). 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.

<sup>1</sup> Following the inclusion of customary closing working capital items comprising cash of C\$250,000, receivables and prepayments of approximately C\$6,400,000, less trade and other payables of approximately C\$900,000, the resulting gross acquisition consideration was C\$16 million.

**SOURCE:** Nano One Materials Corp.