

Nano One Announces Closing of Sumitomo Metal Mining \$16.9M Strategic Investment and Collaboration Agreement

written by Raj Shah | October 5, 2023

October 5, 2023 ([Source](#)) – (TSX:NANO)(OTC PINK:NNOMF)(Frankfurt:LBMB)(TSE:5713)

Nano One® Materials Corp. ("[Nano One](#)" or the "Company"), a clean technology company with patented processes for the sustainable production of lithium-ion battery cathode materials, is pleased to announce the closing of the strategic equity investment and collaboration with Sumitomo Metal Mining Co. Ltd ("SMM", together with Nano One, the "Companies"), a leading vertically integrated miner, refiner and producer of cathode active materials ("CAM"), announced on [September 25, 2023](#). SMM made an equity investment of C\$16,879,949.85 and the Companies entered into a collaboration agreement (the "CA") under which they will work together to accelerate the commercial production of lithium iron phosphate ("LFP"), CAM and nickel-rich CAM chemistries, such as lithium nickel manganese cobalt oxide ("NMC").

Investment and Collaboration

SMM purchased by way of private placement, 5,498,355 common shares (the "Shares") of Nano One at a price of C\$3.07 per share for a total investment into Nano One of C\$16,879,949.85 (the "Private Placement"). The Shares issued under the Private Placement equate to approximately 5% of the current issued and outstanding Shares of Nano One.

The CA involves various aspects primarily centered on supporting

the development of battery ecosystems, with a particular focus on LFP and NMC production using the One-Pot process. The collaboration will support technical product optimization for both LFP and NMC, as well as efforts to mitigate supply chain risks. These joint efforts are intended to strengthen and progress the development, design, construction, and operation of Nano One's proposed LFP production scale pilot plant, the piloting of nickel- and manganese-rich CAMs, and Nano One's first LFP commercial plant.

Additionally, the Companies will look to explore business development opportunities, including future sales and technology licensing, forging long term partnerships and identifying potential investment and financing opportunities to expand operations. In the pursuit of these shared business objectives, the Companies intend to exchange relevant market information and technical expertise to improve the quality and cost of CAM produced by the One-Pot process at the Candiatic facilities to meet SMM customer requirements.

The Company intends to use this investment principally towards the conversion of its existing Candiatic LFP manufacturing facility to a One-Pot production scale pilot plant, nickel- and manganese-rich engineering, and piloting activities, and for working capital purposes.

Together with the closing of the Private Placement and the CA, the Company entered into an investor rights agreement (the "IRA") whereby the Company granted SMM a participation right in any future equity financings to maintain its pro rata ownership interest for a period of up to three (3) years. Under the IRA, SMM has agreed to a standstill provision that, among other things, restricts SMM's ability to purchase additional shares without Nano One's consent for a period of 24 months and restricts SMM's ability to sell the Shares for 12 months,

subject to certain exemptions. In addition the Shares are subject to a restricted hold period of four months and a day under applicable Canadian securities legislation

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons (as defined in the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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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. With strategic collaborations and partnerships, including automotive OEMs and strategic industry supply chain companies like BASF, Umicore and Rio Tinto. Nano One's technology is applicable to electric vehicles, energy storage, and consumer electronics, reducing costs and carbon intensity while improving environmental impact. Nano One aims to pilot and demonstrate its technology as turn-key production solutions for license, joint venture, and independent production opportunities, leveraging Canadian talent and critical minerals for emerging markets in North America, Europe, and the Indo-Pacific region. Nano One has received funding from SDTC and the Governments of Canada and British Columbia.

For more information, please visit www.nanoone.ca

About Sumitomo Metal Mining

Sumitomo Metal Mining Co., Ltd. (SMM) dates back to 16th Century Copper Mining and Processing in Japan. SMM is an integrated producer covering from mineral resources development, smelting & refining, to the production of battery materials and functional materials. By connecting the core businesses, it has advantages in sustainable value chains. SMM has expertise, deep knowledge and many years of experience in producing various types of precursor cathode active material/cathode active material and aims to increase the production capacity of cathode materials (nickel CAM and LFP) from approximately 60,000 tonnes per annum currently to 180,000 tonnes per annum by 2030.

For more information, please visit <https://www.smm.co.jp/en/>

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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 development of technology, supply chains, and plans for construction and operation of cathode production facilities; successful collaboration with SMM; industry demand; successful current and future collaborations that are/may happen with OEM’s, miners or others; the functions and intended benefits of Nano One’s technology and

products; the development of Nano One's technology and products; achieving commercial production of LFP and pilot scale production of NMC at the Candiatic facility; Nano One's licensing, supply chain, joint venture opportunities and potential royalty arrangements; the purpose for expanding the Candiatic facilities and scalability of developed technology; and the execution of Nano One's plans – which are contingent on support and grants. 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', 'encouraged', 'projected', '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 Nano One to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including but not limited to: general and global economic and regulatory changes; next steps and timely execution of Nano One's business plans; the development of technology, supply chains, and plans for construction and operation of the Candiatic facility; industry demand; successful current or future collaborations that may happen with OEM's, miners or others; the execution of Nano One's plans which are contingent on support and grants; Nano One's ability to achieve its stated goals; the commercialization of Nano One's technology and patents via license, joint venture and independent production; anticipated global demand 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

29, 2023, both for the year ended December 31, 2022, and in recent securities filings for Nano One which are available at www.sedar.com. Although management of Nano One 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. Nano One 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.

SOURCE: Nano One Materials Corp.