Nano One Provides an Update on Recent Corporate Developments & Reports Third Quarter 2025 Results

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Business Operational Highlights

- Newly installed proprietary agitator in full-scale One-Pot™ reactor at Candiac, boosts throughput capacity by approximately 50% resulting in reduced operating expenses (OPEX)
- A Front-End Engineering & Design (FEED) study was completed as part of the capacity expansion plan to at least 800 metric tons per year at the Candiac Operation
- Financial investment decision has been made to proceed with detailed engineering and initial procurement activities as part of that capacity expansion plan

Strategic Updates

- Sumitomo Metal Mining confirms Nano One as a key technology partner and advances collaboration towards LFP commercialization
- Nano One pre-qualifies multiple sources of lithium carbonate from Rio Tinto for the future production of LFP cathode materials
- Nano One expands patent portfolio with five new patents

Third Quarter 2025 & Subsequent Results

- The Company reported total net assets of \$16.5 million and working capital of \$16.6 million for the end of the period
- An at-the-market (ATM) equity offering was launched in September 2025, which raised net proceeds of \$0.2 million through to September 30, 2025, with an additional \$2.4 million subsequently raised through to October 31, 2025
- Announced NRCan government funding award of \$5.0 million to support Candiac capacity expansion, advance commercialization, to promote diversification and regionalization of battery supply chains in line with G7 priorities

Nano One® Materials Corp. ("Nano One" or the "Company") has filed its condensed interim consolidated financial statements (the "financial statements") and Management Discussion & Analysis ("MD&A") for the nine months ending September 30, 2025 ("Q3 2025") and is pleased to provide a summary and an update on subsequent events.

Q3 2025 — Financial Position and Results

As at September 30, 2025, the Company reported total net assets and working capital of \$16.5 million and \$16.6 million respectively, with cash and cash equivalents at \$17.8 million. The use of cash in operating activities, capital expenditures and facility lease and other payments for the quarter contributed to the \$6.8 million change in total assets in Q3 2025 versus a \$2.6 million change for the Q2 2025 period.

Nano One's Current Candiac Operations and Capacity Expansion

Plans Explained

Lithium-iron phosphate ("LFP") cathode materials production is being piloted and demonstrated at Nano One's facility in Candiac, Québec. This facility draws on an existing plant that was retrofitted with the Company's patented One-Pot processing technology and a team with decades of commercial LFP manufacturing experience. The facility was upgraded in 2023 with new 2,000 litre pilot-scale One-Pot reactors with a production capacity of 200 tonnes per annum (tpa), which are now being used for process improvement, commercial sales validation and have sufficient capacity to support preliminary commercial sales to the defense and battery energy storage systems ("BESS") sectors.

The pilot facility is also serving concurrent activities to further improve Nano One's LFP product, technology and operational know-how for high-volume commercial manufacturing and licensing opportunities in the BESS, automotive and AI data center market segments.

The facility is also equipped with existing 20,000 litre reactors that are being used in a series of manually fed production runs, which are demonstrating One-Pot enabled LFP cathode material made in full scale commercial equipment. On August 20, 2025, the Company announced the newly installed, high-efficiency agitator has been engineered to enhance mixing dynamics, thermal transfer and reaction time and is estimated to increase the throughput capacity of the reactor by approximately 50%. It will also improve the consistency and quality of CAM output, while yielding reduced operating expenses (OPEX).

Results from these operations have led to decisions and plans that are now in motion to add automation that reintegrates the 20,000 litre reactors into the flowsheet, expands production capacity in Candiac, and addresses projected increases in customer demand. These plans are described below in the FEED Study.

FEED Study Completed, Final Investment Decision made for Candiac Expansion Plan

A FEED Study was completed in Q3 2025 for capacity expansion at the Nano One Candiac facility and resulted in a pre-feasibilitylevel costing and nameplate capacity estimation.

The Company has identified two stages of capacity expansion. The first stage enables demonstration of the technology at commercial scale by integrating and automating some of the site's existing commercial scale equipment, while expanding capacity to a minimum of 800 tonnes per annum (tpa). The second stage supports anticipated customer ramp-up and future sales by boosting capacity to 1,000+ tpa, which will largely be achieved through investment in feedstock handling, automation and integration with existing equipment.

The Company has now made a Financial Investment Decision ("FID") to proceed with detailed engineering and procurement activities over Q4 2025 and Q1 2026. This will be followed by additional procurement, installation and commissioning activities commencing in Q2 2026 with a target to complete commissioning in H1 2027. FID for the second phase will be aligned with growth in customer demand.

In parallel with the first and second stages of capacity expansion, the Company will continue operating its pilot plant to support preliminary sales activities in the defense and BESS market segments, as well as supporting licensing opportunities. Demonstration in the larger reactors will continue via manually fed production runs, to showcase the same scale of One-Pot reactors that will be used in larger 25,000 tpa plants. Towards the end of the first stage, the large reactors will be

temporarily taken offline to automate, re-commission and serve anticipated increase in demand and sales.

This expansion plan aligns with the existing government funding programs that support both capital expenditures and operating expenditures through to end of Q2 2027. It marks continued progress toward commercializing One-Pot LFP production and building localized capacity in line with government priorities for industrial resilience and supply chain independence.

Expansion of Patent Portfolio

On August 20, 2025, the Company announced the allowance and/or issuance of <u>five new patents in North America and Asia</u> to its portfolio of intellectual property (IP), bringing its total to fifty-two (52) granted, one allowed and fifty-four (54) pending in jurisdictions around the world. Details listed below:

- LFP: United States Patent US 12,319,590 B2 issued on June 3rd, 2025:
 - Describes an improved, scalable synthesis method for olivine-structured lithium metal phosphate cathode active materials.
- LFP: Canadian Patent CA 3,068,797 allowed on April 3rd, 2025:
 - Describes a synthesis of olivine-structured lithium metal phosphate cathode active materials.
- LFP: Taiwan Patent TW I887600 issued on June 21st, 2025:

 Describes a method of preparing lithium metal phosphate

 (LMP) cathode active materials using metal feedstocks.
- Original M2CAM NMC: Korean Patent KR 10-2791544 issued on April 1st, 2025: Describes the M2CAM® technology using the One-Pot sulfate-free process for making lithium battery cathode materials.
- LNMO: United States Patent US 12,355,063 issued on July

8th, 2025:

Describes a novel battery assembled with high voltage spinel LNMO cathode material made using the One-Pot process and paired with an electrolyte for high durability.

ATM Financing Launched

On September 8, 2025, the Company launched an <u>At-The-Market</u> <u>equity issuance program</u> ("ATM Program") through entering into an equity distribution agreement ("Distribution Agreement") with Canaccord Genuity Corp. and Roth Canada, Inc. (together the "Agents") whereby the Company may distribute common shares to raise up to \$15.0 million from time to time through the Agents.

Through to September 30, 2025, the Company raised \$0.2 million through the ATM Program, with an additional \$2.4 million raised in October 2025.

Collaboration with Sumitomo Metal Mining

On September 20, 2025, the Company reported on its latest progress with Sumitomo Metal Mining ("SMM") which confirmed Nano One as a key technology partner in advancing its growth strategy for LFP cathodes. Results from development work and trials, economic modeling and IP review have been positive, giving SMM a high degree of confidence in Nano One's proprietary One-Pot LFP technology. Nano One and SMM are expanding their collaboration to pursue LFP cathode material production opportunities with targeted strategic customers. SMM is also providing support and collaboration on the Natural Resources Canada (NRCan) project announced on October 29, 2025 and is described below.

Pre-qualification of Lithium Raw Materials from Rio Tinto

On October 6, 2025, the Company provided an update on its

ongoing collaboration with Rio Tinto (together, the "Parties") specific to the pre-qualification of high-volume battery-grade lithium raw material inputs for Nano One's One-Pot LFP cathode materials production process. Collaboration and prequalification of Rio Tinto's critical minerals and raw materials inputs include lithium carbonate and pre-commercial lithium carbonate samples from Rio Tinto sites in Argentina.

Nano One conducts qualification of battery-grade raw materials through a rigorous, staged testing protocol at increasing scales from A-sample (kilograms) through to C-sample (1-10 tonnes) prior to D-samples in a commercial plant setting. By prequalifying raw material inputs, Nano One aims to accelerate customer acceptance of its LFP cathode material product and LFP CAM licensing packages. This will also help de-risk supply chains for prospective licensees and fast-track A thru C sample qualification programs by as much as one year.

NRCan Government Funding

On October 29, 2025, the Company announced it had been <u>awarded a \$5.0 million</u> non-repayable contribution from NRCan under the Energy Innovation Program to scale production of One-Pot LFP cathode materials and accelerate commercialization. The funding supports Nano One's ongoing work at the Candiac, Québec and Burnaby, British Columbia facilities through to March 31, 2027. It will enable the Company to continue developing different product grades of One-Pot LFP to meet performance requirements across various applications.

The funding supports Nano One's scale-up of the Candiac facility from 200 tpa to a minimum of 800 tpa of cathode material production, with the flexibility to reach 1,000+ tpa to meet customer demand. This will be complemented with funding from the Government of Québec announced on December 9, 2024 and DPA Title

III funding from the US Department of Defense (War) announced on September 26, 2024. This latest tranche of government funding marks continued support toward commercializing One-Pot LFP cathode material production. This is also in line with building localized capacity following government priorities for industrial resilience and supply chain independence. The announcement came as part of the G7 Energy and Environment Ministers meeting where measures were put in place to strengthen supply chains, reduce dependencies and ensure access to the resources essential for clean energy, advanced manufacturing and defense.

For a more detailed discussion of Nano One's Q3 2025 interim results, please refer to the Company's financial statements, and MD&A, which are available at www.sedarplus.ca.

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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 is easier-to permit, lowers energy intensity, costs, environmental footprint, and reliance on problematic supply chains. The Company is supporting the drive towards energy security, supply chain resilience, industrial competitiveness and increased performance through process innovation. Production is being piloted and demonstrated in Candiac, Quebec, drawing on existing plant and decades of commercial lithium-iron phosphate (LFP) manufacturing experience. Strategic collaborations and partnerships with international companies like Sumitomo Metal Mining, Rio Tinto, and Worley are supporting a design-one-buildmany licensing growth strategy-delivering cost-competitive, easier-to-permit, and faster-to-market battery materials production solutions worldwide. 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 "forwardlooking 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: plans, timing, and execution as well as the purpose for expanding the Candiac facilities and scalability of developed technology; the anticipated sale and distribution of Common Shares under the ATM Program, including the expected volume, timing, and uses of net proceeds; potential bundling of One-Pot with pre-qualified feedstocks and those related benefits to partners, licensees and customers; de-risking product supply chains for prospective licensees; receipt of the total amount of announced anticipated funding from the Government of Canada/NRCan and other government related grants and loans; use of proceeds; ongoing product and process improvement and innovations as potential additional revenue opportunities for the Company; the development of technology, supply chains, and plans for construction and operation of cathode production facilities for acceptance of the Company's

product and licensing packages; industry acceleration and demand; successful current and future collaborations that are/may happen with OEMs, miners or others; the value, functions and intended benefits of the Company's technology and products efforts to build resilient and sustainable supply chains for critical minerals and battery materials; the development and evolution of Nano One's technology and products for scale up and commercialization; achieving commercial production of LFP; the Company's licensing, supply chain, joint venture strategies, opportunities and potential royalty arrangements; and the execution of the Company's plans — which are contingent on capital 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 quarantee 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 anticipated sale and distribution of Common Shares under the ATM Program, including the expected volume, timing, and uses of net proceeds; potential bundling of One-Pot with pre-qualified feedstocks and those related benefits to partners, licensees and customers; de-risking product supply chains for prospective licensees; receipt of the total amount of announced anticipated funding from the Government of Canada/NRCan and other government related

grants and loans; use of proceeds; ongoing product and process improvement and innovations as potential additional revenue opportunities for the Company; de-risking supply chains for prospective licensees; 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 and operation of cathode facilities; successful production current collaborations that may happen with OEMs, miners or others; the execution of the Company's plans which are contingent on capital sources; 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; the Company's efforts to build resilient and sustainable supply chains for critical minerals and battery materials; anticipated global demand and projected growth for LFP batteries; and other risk factors as identified in Nano One's Annual Information Form dated March 25, 2025, for the year ended December 31, 2024, its MD&A for the nine months ended September 30, 2025 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 forwardlooking 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.