NRCan Awards Nano One $3M To Support LFP Cathode Material Supply Chain Initiative

written by Raj Shah | March 3, 2026

Highlights

- ***$3M in funding from NRCan's Energy Innovation Program.***
- ***Funds ongoing development, process optimization and scaled-up production of LFP cathode materials utilizing a range of iron input sources.***
- ***Supports work that is building on existing efficiencies and cost competitiveness of Nano One technology, as well as economic regionalization and supply chain resilience.***
- ***Strategic shareholder Sumitomo Metal Mining will be partnering on development and validation.***

March 3, 2026 (Source) – **Nano One® Materials Corp. (TSX:NANO)(OTCQB:NNOMF)(Frankfurt:LBMB)** ("Nano One" or the "Company"), a process technology company specializing in cathode active materials for lithium-ion batteries, is pleased to announce that the Company has been awarded $3 million from Natural Resources Canada ("NRCan"). The funds will support ongoing process optimization, supply chain diversification and enhanced commercial offerings for the One-Pot™ production of lithium iron phosphate ("LFP") cathode active materials ("CAM"), through to March 31, 2028.

"We are very grateful to NRCan and the Government of Canada for their continued support," said CEO Dan Blondal. *"These funds support us as we bring cost competitive and scalable LFP*

processing technology alternatives to markets, strategic partners and customers around the world, and they help us enhance our commercial offerings and supply chain solutions."

The funds will be directed towards process technology optimization, economic regionalization and diversification of raw material supply. The process development work will be specifically focused on iron feedstock, leveraging the Nano One R&D facility in Burnaby, British Columbia and its pilot and demonstration facilities in Candiac, Québec. Strategic shareholder Sumitomo Metal Mining Co. Ltd. ("Sumitomo Metal Mining") will contribute technical expertise, testing and external validation for the development program.

LFP is a key cathode active material utilized in lithium battery systems, which are being deployed in grid decarbonization, defence, electric vehicle and data center applications. Access to iron feedstock is critical to the global diversification, growth and resilience of LFP supply chains. As highlighted by the International Energy Agency[1], 98% of LFP cathode materials are sourced from China, with iron phosphate ("FP") precursor production that relies mainly on a unique supply of low-cost and high-volume iron sulphate feedstock.

The Company's patented One-Pot process enables cost competitive input of alternative iron feedstock that can be sourced in various jurisdictions around the world, eliminating the need to source FP precursor materials while enabling diversification of LFP supply chains. The technology is being optimized for the commercial production of LFP across three core market application segments-Defence & National Security, Energy Storage Systems and Electric Vehicles-to meet a range of economic, performance and supply chain requirements.

"We're building a stronger, more productive, and increasingly

prosperous Canada by supporting companies like Nano One that innovate here at home. This project will help scale up the production of battery materials and drive innovation in clean technologies vital to a lower-carbon future. With this investment, we are strengthening our supply chains and bolstering Canada's economy, security, and sustainability," said the Honourable Tim Hodgson, Minister of Energy and Natural Resources.

[1] International Energy Agency (IEA), "Global Critical Minerals Outlook 2025", p. 218 for Nano One Reference, p. 216 for Iron Sulphate
Reference. https://www.iea.org/reports/global-critical-minerals-outlook-2025

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About Nano One®

Nano One® Materials Corp. (Nano One) is a process technology company changing how cathode active materials (CAMs) are produced for lithium-ion batteries. Nano One's platform is built on a portfolio of patented processes, decades of manufacturing know-how and modular plant designs that enable scalable, cost-competitive and easier-to-permit CAM production with resilient supply chains. The technology eliminates wastewater and byproducts while enabling regionally sourced raw materials and reducing exposure to foreign supply chain volatility. Modular plants are designed with fewer steps to reduce capex, energy and environmental intensity and to accelerate deployment, manufacturing and licensing. Product development and process optimization are based at Nano One's Innovation Centre in Burnaby, British Columbia while piloting, demonstration and commercial production are based in Candiac, Québec, supported by

a team with more than 15 years of commercial cathode manufacturing experience supplying global cell manufacturers. Strategic collaborations with global partners including Sumitomo Metal Mining, Rio Tinto and Worley support Nano One's Design-One-Build-Many growth strategy. Nano One has received funding support from the Governments of Canada, the United States, Québec and British Columbia.

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Cautionary Notes and Forward-Looking Statements

This press release may contain statements that may be deemed to be "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information, including, but not limited to, statements regarding: receipt of the total amount of anticipated funding from NRCan and all government programs; 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 purpose for expanding the Candiac facilities and scalability of

developed technology; and the execution of the Company's plans – which are contingent on capital support and grants. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. This forward-looking information reflects Nano One's current beliefs and is based on information currently available to Nano One and on assumptions we believe are reasonable. These assumptions include, but are not limited to assumptions regarding: receipt of the total amount of announced anticipated funding from collective government programs; 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 and operation of cathode production facilities; risks associated with scale-up, commissioning, process performance and industrial implementation of new manufacturing technologies; the timing, completeness and commercial readiness of the Company's technology packages; the continuation, implementation or effectiveness of government policies, incentives, tax credits or procurement frameworks supporting localized battery supply chains; successful current or future 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 such other

risk factors and risks as disclosed in the Prospectus Supplement, Base Shelf Prospectus, the Company's most recent annual information form, management's discussion and analysis and other documents filed from time to time under the Company's profile on SEDAR+ at www.sedarplus.ca. Forward-looking information is 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 or its subsidiaries to be materially different from those expressed or implied by such forward-looking information. Such risks and uncertainties may include but are not limited to prevailing capital markets conditions, general business, economic, competitive, political and social uncertainties, changes in legislation, and lack of qualified, skilled labour or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.