



## Nano One Materials Corp. Compensation Recovery Policy

### I. INTRODUCTION

The Board of Directors (the “**Board**”) of Nano One Materials Corp., and its subsidiaries, (the “**Company**”) are committed to maintaining and enhancing a culture that emphasizes integrity, transparency and accountability, as well as to complying fully with all applicable government and regulatory laws, rules, and regulations; corporate reporting and disclosure standards; accounting practices, accounting controls and auditing practices; which requires the observation of high standards of business practices and ethics in the conduct of the business and operations of the Company.

Accordingly, the Board has adopted this Compensation Recovery Policy (the “**Policy**”) which provides for the adjustment or recovery of Incentive Compensation awards to Covered Participants in the event of an Accounting Restatement or Wrongful Conduct which improperly resulted in Excess Compensation.

### II. DEFINITIONS

For the purposes of this Policy, the following terms are defined below:

“**Accounting Restatement**” means a restatement of all or a portion of the Company’s financial statements that is required to be filed to correct a material non-compliance with any financial reporting requirements under applicable securities laws.

This Policy will not apply to: (i) application of a change in accounting principle; (ii) revisions to reportable segment information due to a change in internal organization; (iii) reclassification due to a discontinued operation; (iv) application of a change in reporting entity, such as from a reorganization of entities under common control; (v) adjustments to provisional amounts in connection with a prior business combination; (vi) revisions for stock splits; (vii) out-of-period adjustments that are not Accounting Restatements; and (viii) adjustments that do not represent error corrections.

“**Covered Participant**” means any former or current individual employed by the Company or a subsidiary of the Company that is eligible to receive Incentive Compensation who is an Executive Officer (as defined in this Policy).

“**Excess Compensation**” means the pre-tax amount or value of any Incentive Compensation actually paid or awarded to a Covered Employee that is in excess of the Incentive Compensation that the Covered Participant would have been paid under the Accounting Restatement.

“**Executive Officer**” means the Executive Chairman, members of the senior leadership team of the Company (and its subsidiaries) and any other employee designated by the Board as an Executive Officer for the purposes of this Policy, from time to time, during any portion of the performance period of the Incentive Compensation.

“**Incentive Compensation**” means any incentive compensation (whether in the form of cash or equity, including all bonuses and other equity-based incentive awards granted or paid to any Executive Officer, or which such Executive Officer may become entitled to receive under one of more of the Corporation’s short-term or long-term incentive plans in effect from time to time) granted, earned or vested, the amount of which was calculated wholly or in part on the attainment of financial reporting measure(s)

based on accounting principles using the Company's financial statements, stock price and/or total shareholder return. For purposes of this Policy, Incentive Compensation is received during the fiscal year during which the applicable financial reporting measure, stock price and/or total shareholder return measure, upon which the payment is based, is achieved, even if payment occurs after the end of such period and/or the compensation is subject to additional service-based, time-based, or non-financial goal based vesting condition after the period ends. For additional clarity, salaries or incentive-based bonuses tied to non-financial data, such as overall business growth, hours worked, leadership, etc., are not considered Incentive Compensation.

**"Repayment Period"** means the 1-year period following the date on which the Company first publicly issues or files the financial results that were the subject of an Accounting Restatement, or a determination of Wrongful Conduct.

**"Wrongful Conduct"** means (i) any act that leads to the conviction of, or pleading guilty or nolo contendere to, a felony or a crime involving moral turpitude; (ii) the perpetration of an intentional and knowing fraud (or embezzlement or misappropriation) against or affecting the Company or any customer, client, agent, shareholder or employee of the Company; (iii) any act or omission constituting grossly negligent misconduct; or (iv) any act that leads to a termination of employment for cause or misconduct inclusive of any violation of company policies, regardless of whether there is a financial restatement.

### III. ADMINISTRATION

The Board (or any committee of the Board as may be delegated to by the Board) is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. All references in this Policy to the Board shall also refer to any committee of the Board delegated by the Board to act on its behalf. The Board shall review this Policy annually and assess its effectiveness.

### IV. TRIGGERING EVENTS AND RECOUPMENT

In the event of (a) an Accounting Restatement; or (b) the determination by the Board that Wrongful Conduct has occurred, as applicable, (the **"Triggering Event"**) the Board will review all Incentive Compensation paid or granted to Covered Participant on the basis of having met or exceeded specific performance targets for performance periods during the time period covered by the Accounting Restatement or in which the Wrongful Conduct occurred. If it is determined that a Triggering Event has occurred, the Board may, to the fullest extent permitted by applicable law and to the extent it determines that it is in the Company's best interest to do so (in its sole discretion), require the Covered Participant to reimburse the Corporation for all or any portion of the Excess Compensation, and withhold or cancel and terminate all or any portion of unvested Incentive Compensation paid or granted to the Covered Participant during the Repayment Period.

In the event the Board makes a final determination to cancel any awarded and unpaid or unexercised Incentive Compensation (whether vested or unvested) which constitutes Excess Compensation with respect to any Covered Participant under the Policy, such cancellation will be in effect as soon as reasonably practicable upon such determination.

### V. LIMITATION ON RECOUPMENT PERIOD

The Board may only seek recoupment under the provisions of this Policy if: (a) in the case of an Accounting Restatement, the Accounting Restatement shall have occurred within 36 months from the date on which

the audited financial statements that have been restated were first publicly disclosed; and (b) in the case of Wrongful Conduct, the Wrongful Conduct shall have been discovered within 36 months from the date on which the Wrongful Conduct occurred.

#### **VI. AUTHORITY**

The Board may, at its discretion, engage a consultant or legal counsel to provide additional guidance regarding any aspect of this Policy.

#### **VII. MISCELLANEOUS**

Nothing in this Policy in any way detracts from or limits any obligations that those subject to it have in law or pursuant to a management, employment, consulting or other agreement with the Company or any of its respective subsidiaries in effect with respect to a Covered Participant whether prior or subsequent to the Effective Date. The remedies available under this Policy shall not be exhaustive and nothing herein shall preclude the Board from taking any disciplinary actions in respect of the acts or conduct of a Covered Participant as the Board deems appropriate in the circumstances, up to and including termination of employment, as well as any other remedies or recourses available to the Company.

#### **VIII. ACKNOWLEDGEMENT BY COVERED PARTICIPANTS**

Covered Participants shall acknowledge this Policy by signing an acknowledgment in the form attached as Schedule "A" hereto.

#### **IX. EXCEPTIONS**

The Board shall not seek recovery to the extent it determines (i) that to do so would be unreasonable; or (ii) that it would be better for the Company not to do so.

#### **X. EFFECTIVE DATE**

This Policy is effective January X, 2023 and is applicable to all Incentive Compensation that is approved, granted, awarded or paid out to Covered Participants beginning on or after that date. Notwithstanding the foregoing, any Incentive Compensation received by a person in his or her capacity as a Covered Participant prior to the Effective Date will nonetheless be subject to recoupment under this Policy, subject to the limitation prescribed by Article 5.

*This Compensation Recovery Policy was adopted by the Board of Directors on January 26, 2023.*

**SCHEDULE A**  
**COMPENSATION RECOVERY**  
**POLICY ACKNOWLEDGMENT**

The undersigned acknowledges having read the Compensation Recovery Policy of Nano One Materials Corp. (the "**Policy**") and agrees to be bound by the terms of the Policy. The undersigned acknowledges and agrees that the undersigned is a Covered Participant for the purposes of the Policy.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date