



NOMINATIONS AND GOVERNANCE COMMITTEE MANDATE

1.0 PURPOSE AND AUTHORITY

1.1 The Nominations and Governance Committee shall advise and assist the Board in fulfilling its oversight responsibilities related to, among other things, the development, implementation, monitoring and evaluation of the corporate Nominations and Governance policies, practices and procedures of the Corporation and Director nomination, assessment and compensation.

2.0 DEFINITIONS

2.1 In this Mandate:

- (a) **"Board"** means the board of directors of the Corporation;
- (b) **"Chair"** means the Chair of the Committee;
- (c) **"Code"** means the Code of Conduct of the Corporation, as amended from time to time;
- (d) **"Committee"** means the Nominations and Governance Committee of the Board;
- (e) **"Corporation"** means Nano One Materials Corp.;
- (f) **"Director"** means a member of the Board;
- (g) **"Management"** means the senior officers of the Corporation;
- (h) **"Mandate"** means this mandate of the Committee;
- (i) **"Member"** means a Director appointed to the Committee; and
- (j) **"Shareholders"** means the shareholders of the Corporation.

3.0 ESTABLISHMENT AND COMPOSITION OF COMMITTEE

- 3.1 The Committee shall be comprised of two (2) or more Directors, each of whom is "independent" within the meaning of all applicable laws and stock exchange requirements. No Member may be a member of Management or an employee of the Corporation or any affiliate of the Corporation.
- 3.2 Members shall be appointed annually by the Board after the annual election of Directors, or as otherwise may be necessary, provided, however, that each Director serving as a Member shall continue to serve until such Member resigns, is removed or has a successor appointed.
- 3.3 The Board may appoint a Member to fill a vacancy on the Committee between annual elections of Directors. If a vacancy exists on the Committee, the remaining Members may exercise all of the powers of the Committee so long as at least two (2) Members remain in office.
- 3.4 Any Member may be removed from the Committee or replaced by a resolution of the Board.
- 3.5 The Board shall appoint a Chair on an annual basis. The Chair shall continue to serve in that role until a successor is appointed. The Board shall periodically rotate the Chair and shall use reasonable efforts to rotate the Chair every four (4) years.

4.0 COMMITTEE MEETINGS

- 4.1 The Committee shall meet at least quarterly and at such other times as it deems appropriate. Meetings of the Committee shall be held at the call of the Chair, or upon the request of any Member. The time, place and procedures for such meetings shall be determined by the Committee.
- 4.2 The Chief Executive Officer shall receive notice of and, unless otherwise determined by the Chair, shall be entitled to attend all meetings of the Committee.
- 4.3 A quorum at any meeting of the Committee shall be two (2) Members.
- 4.4 Each Member shall have the right to vote on matters that come before the Committee.
- 4.5 Matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting where such matter is considered. Actions of the Committee may also be taken by instruments in writing signed by all of the Members.

- 4.6 The Committee shall conduct *in camera* sessions without Management present at each meeting of the Committee.
- 4.7 The Chair shall act as chair of all meetings of the Committee at which the Chair attends, otherwise the Members present at the meeting shall appoint one of their number to act as chair of the meeting.
- 4.8 Unless otherwise determined by the Chair, the Corporate Secretary of the Corporation shall act as secretary of all meetings of the Committee.
- 4.9 The Committee may invite any Directors, officers or employees of the Corporation or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.
- 4.10 The Committee may delegate authority to individual Members or subcommittees if deemed appropriate.

5.0 DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

A. Governance

- 5.1 The Committee shall oversee issues, policies and practices pertaining to corporate governance as they apply to the Corporation by monitoring and reviewing the corporate governance practices of the Corporation and governance developments and best practices on a continuing basis and, when considered appropriate, shall report and make recommendations to the Board concerning corporate governance practices, including:
 - (a) the Corporation's approach to and policies on governance matters, including, without limitation, ethics and business conduct, insider trading, continuous disclosure, political engagement and lobbying activity, and sustainability.
 - (b) this Mandate, the mandates of the Board and all Board committees and the Board Governance Guidelines, which the Committee shall review on a periodic basis;
 - (c) the position descriptions and respective duties of the chair of the Board and the Lead Director, which the Committee shall review on a periodic basis;
 - (d) the processes for assessing the effectiveness of the Board as a whole, each committee of the Board and the contribution and performance of individual Directors on a regular basis;

- (e) the adequacy and form of Director compensation, including the administration of any equity or other compensation plans or programs applicable to Directors;
- (f) policies in respect of Board services, including director tenure, retirement, share ownership, the participation of Directors on outside boards or committees, and interlocking relationships;
- (g) the size and composition of the Board and, if appropriate, recommendations to the Board that could improve the Board's performance and its ability to make effective decisions;
- (h) communication processes between the Board and Management, including monitoring the quality of the relationship between Management and the Board and recommending improvements as necessary;
- (i) disclosure of corporate governance practices and policies prior to publication thereof in the Corporation's annual reports, Management Information Circulars, Annual Information Forms or other disclosures disseminated to the public;
- (j) management's preparedness for crisis response and its related communication plan; and
- (k) such additional activities within the scope of its responsibilities as the Committee may deem appropriate or as may be delegated to the Committee by the Board from time to time.

B. Ethical and Legal Compliance

5.2 The Committee shall:

- (a) subject to Board approval, establish and oversee the Code and periodically review and update the Code to ensure compliance with all applicable laws and stock exchange requirements and other recommended governance practices;
- (b) receive, review and approve regular reports with respect to compliance with the Code;
- (c) review any departure, or alleged departure, from the Code involving a Director or executive officer of the Corporation and make recommendations to the Board in respect thereof, including whether a waiver from the Code should be granted given the circumstances; and
- (d) make recommendations to the Board regarding the Corporation's disclosure obligations in respect of the Code.

5.3 The Committee shall review and advise the Board in respect of any actual or potential conflicts of interest between or among Management, a Director or a

Shareholder and the appropriate responses to mitigate any such conflicts.

- 5.4 The Committee shall oversee and advise the Board in respect of the Corporation's compliance with applicable laws and regulations and stock exchange requirements relating to corporate governance matters.

C. Board Composition and Director Nominations

- 5.5 The Committee shall oversee matters relating to Board composition and carry out the Director identification, selection and nomination process. The Committee shall:

- (a) develop criteria which reflect the needs of the Board in recruiting and selecting new directors;
- (b) provide recommendations to the Board with respect to: (i) the competencies and skills that the Board, as a whole, possesses and should possess, considering all relevant factors, including contributions made by each individual Director; (ii) the competencies and skills of each Director; (iii) the level of diversity that should be maintained on the Board; (iv) the mechanisms that should be adopted to ensure periodic Board renewal; (v) the independence of the members of the Board and the factors and circumstances to be considered in making independence determinations; and (vi) the personality, integrity and other qualities of each Director;
- (c) interview, evaluate and make recommendations to the Board in respect of potential candidates for nomination to the Board;
- (d) make recommendations in respect of nominations to fill any vacancies of Directors arising between meetings of Shareholders; and
- (e) establish and periodically review a succession plan for the chair of the Board and the chair of each committee of the Board.

- 5.6 The Committee shall review and provide recommendations to the Board, as appropriate, in respect of any offer of resignation by a Director made pursuant to the Corporation's Majority Voting Policy.

D. Director Orientation and Continuing Education

- 5.7 The Committee shall maintain, oversee and periodically update a comprehensive orientation program for new Directors, which shall include assisting new Directors to understand:

- (a) the role of the Board and its committees and the duties and responsibilities of Directors;
- (b) the contribution individual Directors are expected to make (including the commitment of time and resources that the Corporation expects from its Directors); and

- (c) the Corporation's strategy, business, operations, and capital and financial structure.

5.8 The Committee shall maintain, oversee and periodically update a continuing education program for all Directors which shall, among other things:

- (a) assist Directors to maintain or enhance their skills and abilities as directors, and assist Directors in ensuring that their knowledge and understanding of the Corporation's business remains current.

6 REPORTING

6.0 The Chair, or another designated Member, shall report to the Board at each regular meeting on those matters that were dealt with by the Committee since the last regular meeting of the Board.

7.0 REMUNERATION OF MEMBERS

7.1 Members and the Chair shall receive such remuneration for their service on the Committee as the Board may determine from time to time, having considered the recommendation of the Committee.

8.0 GENERAL

8.1 This Mandate shall be posted on the Corporation's website at www.nanoone.ca.

8.2 The Committee shall periodically review its own effectiveness and performance.

8.3 The Committee shall perform such other activities consistent with this Mandate, the Corporation's by-laws and applicable laws, that the Board or the Committee may determine are necessary or appropriate.

8.4 The Committee may approve, in its discretion and in circumstances that it considers appropriate, the engagement by the Committee or any Director of outside advisors or persons having special expertise at the expense of the Corporation.

8.5 The Committee shall review and assess the adequacy of this Mandate periodically and recommend to the Board any changes it deems appropriate.