

Nano One Announces Closing of Rio Tinto Strategic Investment and Collaboration Agreement

written by Igor Makarov | June 17, 2022

June 17, 2022 ([Source](#)) – (TSX:NANO)(OTC PINK:NNOMF)(Frankfurt:LBMB) Nano One® Materials Corp. (“[Nano One](#)” or the “Company”), a clean technology company with patented processes for the low-cost, low-environmental footprint production of high-performance cathode materials used in lithium-ion batteries, is pleased to announce closing of the strategic equity investment and collaboration with Rio Tinto, a leading global mining and metals group, announced on [June 9, 2022](#) (the “Transaction”). Rio Tinto made an equity investment of US\$10M and the two companies entered into a collaboration agreement (the “CA”) under which they will work together to explore and evaluate opportunities to further drive localization of the lithium ion battery value chain, particularly in Québec, and will support the acceleration of the commercialization of Nano One’s patented cathode technology.

Investment and Collaboration

Rio Tinto Western Holdings Limited, a subsidiary of Rio Tinto, purchased by way of private placement, 4,643,148 common shares (“Shares”) of Nano One at a price of C\$2.70 per share for a total investment into Nano One of US\$10M, equivalent to approximately C\$12,536,500. The Shares issued under the private placement equate to approximately 4.9% of the current issued and outstanding Shares of Nano One.

The CA extends to matters that include a study of Rio Tinto’s battery metal products, including iron powders from the Rio

Tinto Fer et Titane facility in Sorel-Tracy, Québec, as feedstock for the production of Nano One's cathode materials. Rio Tinto will contribute know-how from its Critical Minerals and Technology Centre, which has developed a unique expertise in the extraction and processing of critical minerals such as lithium and scandium, as well as minerals from Canada, the United States, and other international sources. Rio Tinto will also collaborate on technical and business matters as may be required in developing, designing, constructing and operating cathode production facilities.

Nano One has issued to Rio Tinto 1,000,000 non-transferrable Share purchase warrants (a "Warrant") as consideration for their technical and support services per the CA. Each Warrant shall entitle Rio Tinto to purchase one Share at an exercise price of C\$4.00, exercisable until June 16, 2023.

The Company intends to use this investment for technology and supply chain development, commercialization, Nano One's acquisition of the Cadiac facility in Québec (announced [25 May 2022](#) pending completion), its conversion to One-Pot lithium iron phosphate (LFP) and industrial scale piloting of other Nano One CAM technologies, and for working capital purposes. All securities issued pursuant to the CA are subject to a restricted hold period of four months and a day, under applicable Canadian securities legislation.

Together with the closing of the Private Placement and the CA, the Company entered into an Investor Rights Agreement with Rio Tinto whereby the Company granted Rio Tinto a participation right in any future equity financings to maintain its pro rata ownership interest until no later than June 16, 2027; and Rio Tinto agreed to a lock up on securities dispositions and a standstill for a period of 12 months from the date of closing, subject to certain exemptions.

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.

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. The technology is applicable to electric vehicle, energy storage, consumer electronic and next generation batteries in the global push for a zero-emission future. Nano One's One-Pot process, its coated nanocrystal materials and its Metal to Cathode Active Material (M2CAM®) technologies address fundamental performance needs and supply chain constraints while reducing costs and carbon footprint. Nano One has received funding from various government programs and the current "Scaling of Advanced Battery Materials Project" is supported by Sustainable Development Technology Canada (SDTC) and the Innovative Clean Energy (ICE) Fund of the Province of British Columbia. For more information, please visit www.nanoone.ca

Changing how the world makes **battery materials**

About Rio Tinto

Rio Tinto is a mining and metals company operating in 35 countries around the world that produces the materials essential

to human progress. It aims to help pioneer a more sustainable future, from partnering in the development of technology that can make the aluminum smelting process entirely free of direct GHG emissions, to providing the world with the materials it needs – such as copper and titanium – to build a new low-carbon economy and products like electric vehicles and smartphones.

Rio Tinto has a long history in Québec, Canada where it operates significant aluminium, iron and titanium businesses. Rio Tinto is building a leading battery materials business, with three lithium projects in development across the United States, Argentina and Serbia.

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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, statements with respect to: closing of the pending acquisition of the Candiac facility in Québec; the development of technology, supply chains, and plans

for construction and operation of cathode production facilities; successful collaboration with Rio Tinto; and execution of the Company's future business strategy, all of which are contingent on partnerships, support and grants and the commercialization of the Company's technology and patents. 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', 'focus', 'build', 'engage', '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 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: closing of the pending acquisition of the Candiatic facility in Québec; the development of technology, supply chains, and plans for construction and operation of cathode production facilities; successful collaboration with Rio Tinto, execution of the Company's future business strategy; any future collaborations that may happen with miners, OEM's or others; the Company's ability to achieve its stated goals, the commercialization of the Company's technology and patents; and other risk factors as identified in Nano One's MD&A and its Annual Information Form dated March 28, 2022, both for the year ended December 31, 2021, and in recent securities filings for the Companies which are available at www.sedar.com. Although management of the Company 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. 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.

SOURCE: Nano One Materials Corp.