No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. *This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or the securities laws of any state of the United States of America, its territories, possessions or the District of Columbia (the "**United States**"), and may not be offered or sold in the United States or to, or for the account or benefit of persons in the United States, unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".*

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the secretary of Nano One Materials Corp. at Unit 101B, 8575 Government Street, Burnaby, BC V3N 4V1, telephone 1 (604) 420-2041, and are also available electronically at www.sedar.com.*

SHORT FORM PROSPECTUS

New Issue **March 29, 2021**

NANO ONE MATERIALS CORP.

$25,145,000
4,700,000 Common Shares

PRICE: $5.35 per Common Share

This short form prospectus (the "**Prospectus**") qualifies the distribution (the "**Offering**") of 4,700,000 common shares (the "**Common Shares**" with each Common Share offered pursuant to this Prospectus, an "**Offered Share**") of Nano One Materials Corp. ("**Nano One**" or the "**Company**") at a price of $5.35 per Offered Share (the "**Offering Price**") for gross proceeds of up to $25,145,000 (the "**Offering**"). The Offering is being made pursuant to the terms of an underwriting agreement (the "**Underwriting Agreement**") dated as of March 22, 2021 between the Company and TD Securities Inc., Roth Canada, ULC, Roth Capital Partners LLC (the "**Lead Underwriters**") and Eight Capital and Gravitas Securities Inc. (each, including the Lead Underwriters, an "**Underwriter**" and together, the "**Underwriters**"). Roth Capital Partners LLC is not registered as an investment dealer in any Canadian jurisdiction for the purposes of the Offering and, accordingly, Roth Capital Partners LLC will not offer and sell the Offered Shares in Canada. The terms of the Offering, including the Offering Price, were determined by arm's length negotiation between Nano One and the Underwriters in the context of the market. See "*Plan of Distribution*".

	Price to the Public ($)	**Underwriters' Fee(1) ($)**	**Net Proceeds to the Company ($)**
Per Offered Share	5.35	0.321	5.029
Total (2) (3)	25,145,000	1,508,700	23,636,300

Notes:

(1) Pursuant to the terms and conditions of the Underwriting Agreement, (i) the Underwriters will receive a cash fee (the "**Underwriters' Fee**") equal to six percent (6%) of the gross proceeds of the Offering, or $0.321 per Offered Share; and (ii) the Company has agreed to issue to the Underwriters purchase warrants (the "**Broker Warrants**"), exercisable to acquire, within one (1) year of the Closing Date, in the aggregate, that number of Common Shares (the "**Broker Shares**") equal to 6% of the number of Common Shares sold under the

Offering including, for greater certainty, any Common Shares sold on the exercise of the Over-Allotment Option, if any, at an exercise price equal to the Offering Price. See "*Plan of Distribution*".

(2) After deducting the Underwriters' Fee, but before deducting the expenses of the Offering, including listing fees and the reasonable expenses of the Underwriters incurred in connection with the Offering, estimated to be $250,000, which will be paid by the Company from the proceeds of the Offering. See "*Use of Proceeds*".

(3) The Company has granted to the Underwriters an over-allotment option (the "**Over-Allotment Option**") to purchase up to an additional 705,000 Common Shares (the "**Additional Shares**") of the Company at the Offering Price, exercisable in whole or in part at the discretion of the Underwriters for a period of 30 days from the closing date of the Offering. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' Fee and net proceeds to the Company (after deducting the Underwriters' Fee but before deducting the expenses of the total Offering) will be $28,916,750, $1,735,005 and $27,181,745, respectively. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares issuable upon the exercise of the Over-Allotment Option. See "*Plan of Distribution*". Unless the context otherwise requires, references herein to the "Offering" assume the exercise of the Over-Allotment Option in full and references to "Shares" mean the Offered Shares and the Additional Shares. A purchaser who acquires securities forming part of the Underwriters' over-allotment position acquires those Shares under this Prospectus, regardless of whether the over-allotment position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See "Plan of Distribution".

The issued and outstanding Common Shares in the capital of the Company are listed on the TSX Venture Exchange (the "**TSXV**") under the symbol "NNO". On March 26, 2021, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSXV was $5.40 per Common Share. The TSXV has conditionally approved the listing of the Offered Shares and the Broker Shares distributed under this Prospectus. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

The following table sets out the maximum number of securities under options issuable to the Underwriters in connection with the Offering:

Underwriters' Position	Maximum Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option(1)	Option to acquire up to 705,000 Additional Shares	On or before 11:59 p.m. (PST) on the 30th day following the Closing Date	$5.35 per Additional Share
Broker Warrants(2)	324,300 Broker Warrants(3)	Within one (1) year of the Closing Date	$5.35 per Broker Share

Notes:

(1) This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Shares issuable upon exercise of the Over-Allotment Option. See "*Plan of Distribution*".
(2) This Prospectus qualifies the distribution of the Broker Warrants as well as the Broker Warrants issuable in connection with the exercise of the Over-Allotment Option, if any.
(3) Assuming the exercise in full of the Over-Allotment Option.

Investing in the Common Shares is speculative and involves significant risks and should only be made by persons who can afford the total loss of their investment. You should therefore carefully review this Prospectus and the documents incorporated by reference herein in their entirety and carefully consider the risk factors described under the section "*Risk Factors*" in this Prospectus and under the headings "*Introductory Notes – Cautionary Note Regarding Forward-Looking Information*" and "*Risk Factors*" in the AIF (as defined herein) before purchasing the Common Shares.

Investors should rely only on the information contained in or incorporated by reference in this Prospectus. Neither the Company nor the Underwriters have authorized anyone to provide investors with different information. The information contained in this Prospectus is accurate only as of the date of this Prospectus, regardless of the time of delivery of this Prospectus or the time of any sale of securities offered hereunder. The securities offered hereunder may be sold only in those jurisdictions where offers and sales are permitted. This Prospectus is not an offer to sell or a solicitation of any offer to buy the securities offered hereunder where it is unlawful.

A prospective purchaser of Common Shares should read this entire prospectus, including the documents incorporated herein by reference, and consult with its own legal, tax and other professional advisors to assess the income tax, risks, and other aspects of an investment in the Common Shares. The Offering is not underwritten or guaranteed by any person or agent. The Underwriters as principals, conditionally offer the Offered Shares, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement described under the section entitled "*Plan of Distribution*" and subject to the approval of certain legal matters on behalf of the Company by Fasken Martineau DuMoulin LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP.

The Underwriters propose to offer the Offered Shares initially at the Offering Price specified above. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may subsequently reduce the subscription price to investors from time to time in order to sell any of the Offered Shares remaining unsold. Any such reduction will not affect the proceeds received by the Company. See "*Plan of Distribution*".

Subscriptions for the Offered Shares will be received subject to rejection or allotment, in whole or in part, and the Underwriters reserve the right to close the subscription books at any time without notice. The Offered Shares shall be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus. Closing of the Offering is expected to take place on or about April 1, 2021, or on such other date as may be agreed upon by the Company and the Underwriters, but in any event not later than 42 days after the date of the receipt for this short form prospectus (the "**Closing Date**").

It is anticipated that the Offered Shares will be delivered under the book-based system through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and deposited in electronic form or will otherwise be delivered to the Underwriters registered as directed by the Underwriters, on the Closing. Except in certain limited circumstances, a purchaser of Offered Shares will receive only a customer confirmation from the Underwriters or registered dealer from or through whom the Offered Shares are purchased and who is a CDS depository service participant (a "**Participant**"). CDS will record the Participants who hold Offered Shares on behalf of owners who have purchased Offered Shares in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See "*Plan of Distribution*".

The Offered Shares have not been and will not be registered under the U.S. Securities Act, or any state securities laws, and accordingly may not be offered or sold within the United States or to, or for the account of benefit of a person in the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriters, through their United States registered broker-dealer affiliates, may not offer the Offered Shares for sale by the Company except: (a) in an "offshore transaction," as such term is defined in Regulation S under the U.S. Securities Act ("**Regulation S**"), outside the United States in accordance with Rule 903 of Regulation S; or (b) to Qualified Institutional Buyers (as such term is defined in Rule 144A under the U.S. Securities Act) purchasing pursuant to the exemption from the registration requirement of the U.S. Securities Act provided by Rule 506(b) of Regulation D thereunder and similar exemptions under applicable state securities laws. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares in the United States. See "*Plan of Distribution*".

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions intended to stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See "*Plan of Distribution*".

Mr. Joseph Guy, a director of the Company, resides outside of Canada and has appointed Nano One Materials Corp., 101B - 8575 Government Street, Burnaby, British Columbia V3N 4V1 as his agent for service of process in Canada.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process. See "*Risk Factors*".

The registered office of the Company is located at 2900 – 550 Burrard Street, Vancouver, British Columbia V6C 0A3. The head and principal office of the Company is located at 101B - 8575 Government Street, Burnaby, British Columbia V3N 4V1.

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GENERAL MATTERS

An investor should rely only on the information contained in this Prospectus (including the documents incorporated by reference herein) and is not entitled to rely on parts of the information contained in this Prospectus (including the documents incorporated by reference herein) to the exclusion of others. The Company and the Underwriters have not authorized anyone to provide investors with additional or different information. The Company and the Underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may provide prospective purchasers. Information contained on, or otherwise accessed through, the Company's website shall not be deemed to be a part of this Prospectus and such information is not incorporated by reference, despite any references to such information in this Prospectus or the documents incorporated by reference herein, and prospective purchasers should not rely on such information when deciding whether or not to invest in the Common Shares. Other than this Prospectus in electronic format, the information on the Underwriters' website and any information contained in any other website maintained by the Underwriters or their affiliates is not part of this Prospectus, has not been approved and/or endorsed by the Company or the Underwriters and should not be relied upon by prospective purchasers.

The Company and the Underwriters are not offering to sell the Offered Shares in any jurisdictions where the offer or sale of the Offered Shares is not permitted. The information contained in this Prospectus (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus (or the date of the document incorporated by reference herein, as applicable), regardless of the time of delivery of this Prospectus or any sale of the Offered Shares. The business, financial condition, results of operations and prospects of the Company may have changed since those dates. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by applicable Canadian securities laws.

This Prospectus shall not be used by anyone for any purpose other than in connection with the Offering.

The documents incorporated or deemed to be incorporated by reference herein contain meaningful and material information relating to the Company and prospective purchasers should review all information contained in this Prospectus and the documents incorporated or deemed to be incorporated by reference herein.

All references herein to "$" are to Canadian dollars unless otherwise specified.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, the market and industry data contained or incorporated by reference in this Prospectus is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although the Company and the Underwriters believe these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any survey. Neither the Company nor the Underwriters have independently verified any of the data from third party sources referred to or incorporated by reference herein and accordingly, the accuracy and completeness of such data is not guaranteed.

FORWARD-LOOKING INFORMATION

This Prospectus and the documents incorporated by reference herein contain certain "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking statements**"), within the meaning of applicable Canadian securities laws, which are based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. All information, other than statements of historical facts, included in this Prospectus that addresses activities, events or developments that the Company expects or anticipates will or may occur in the future is forward-looking information. Such statements can be identified by the use of forward-looking terminology such as "expect", "likely", "may", "will", "should", "intend", or "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. Such forward-looking statements are made as of the date of this Prospectus, or in the case of documents incorporated by reference herein, as of the date of each such document. Forward-looking statements in this Prospectus and the documents incorporated by reference herein include, but are not limited to, statements with respect to:

- the completion of the Offering and the receipt of all regulatory and stock exchange approvals in connection therewith;
- the use of the net proceeds of the Offering;
- the performance of the Company's business and operations;
- the intention to grow the business, operations and potential activities of the Company;
- the functions and intended benefits of Nano One's technology and products;
- the development of the Company's technology and products;
- the commencement of a commercialization phase and entering into a definitive agreement with a party to plan, design, finance, construct and operate a cathode production facility;
- the Company's research and development programs;
- collaboration with material producers;
- regulatory changes;
- the competitive conditions of the industry and the Company's competitive position in the industry;
- overall market growth rates and the Company's growth rates and growth strategies;
- the Company's business plans and strategies;
- the Company's short and long-term business objectives and milestones and the events that must occur to accomplish them;
- prospective partnerships and the anticipated benefits of the Company's partnerships;
- the Company's licensing, supply chain, joint venture opportunities and potential royalty arrangements;
- entering into discussions and negotiations with AUI (as defined herein) with respect to a framework agreement with ICTL (as defined herein);
- the applicable laws, regulations and any amendments thereof;
- the continued expansion of the lithium iron phosphate market;
- the purpose for expanding its facilities;
- the competitive and business strategies of the Company; and
- the anticipated future gross revenues and profit margins of the Company's operations.

With respect to the forward-looking statements contained in this Prospectus and the documents incorporated by reference herein, the Company has made assumptions regarding, among other things:

- timely receipt of the necessary regulatory (including stock exchange) approvals and other required approvals in connection with the Offering;
- the use of the net proceeds of the Offering;
- interest rates;
- operating and capital costs;
- anticipated partnerships;
- the Company's ability to access capital markets to meet its future obligations;
- opportunities available to or pursued by the Company;
- the Company's ability to attract and retain qualified personnel or management; and
- stability of general economic and financial market conditions.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Neither the Company nor the Underwriters can guarantee future results, levels of activity, performance or achievements. Consequently, there is no representation by the Company or the Underwriters that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements. Some of the risks, uncertainties and other factors, some of which are beyond the Company's control, which could cause actual results, performance or achievements of the Company, as applicable, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements contained in this Prospectus and the documents incorporated by reference herein. Such factors include, but are not limited to:

- the impact of SARS-CoV-2 coronavirus ("**COVID-19**");
- failure to complete the Offering;
- general economic, market and business conditions in Canada and the United States, including reduced availability of debt and equity financing generally;
- risks relating to the effective management of the Company's growth;
- risks related to the Company's intellectual property applications being approved;
- the Company's ability to protect its proprietary rights from unauthorized use or disclosure;
- the ability of the Company to obtain additional financing and secure government assistance;
- the Company's limited operating history; the Company's ability to attract employees, consultants, or advisors with the necessary skills and knowledge;
- the need to comply with environmental and governmental regulations;
- the Company's ability to attract and retain customers and partners;

- the competitive nature of the industries in which the Company operates;
- competition for, among other things, capital and skilled personnel and management;
- limitations on insurance;
- failure to obtain industry partner and other third party consents and approvals when required;
- imprecision in estimating capital expenditures and operating expenses;
- fluctuations in foreign exchange and interest rates and stock market volatility;
- the Company's ability to obtain required regulatory approvals;
- political and economic conditions;
- the results of litigation or regulatory proceedings that may be brought against the Company;
- changes in income tax laws; and
- the other factors disclosed under *"Risk Factors"* in this Prospectus and in the AIF and management's discussion and analysis which are incorporated by reference herein.

The closing of the Offering could be delayed if the Company is not able to obtain the necessary stock exchange approvals or any other approvals required for completion of the Offering on the timeline it has planned. The Offering will not be completed at all if necessary approvals are not obtained or, unless waived, some other condition to the closing of the Offering is not satisfied. Accordingly, there is a risk that the Offering will not be completed within the anticipated time or at all.

Management has included the above summary of assumptions and risks related to forward-looking statements provided in this Prospectus and the documents incorporated by reference herein in order to provide potential purchasers of the Offered Shares with a more complete perspective on the Company's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

Readers are cautioned that the foregoing list of factors is not exhaustive of all factors and assumption which may have been used. The forward-looking statements contained in this Prospectus and the documents incorporated by reference herein are expressly qualified by this cautionary statement. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. The Company is not under any duty to update any of the forward-looking statements after the date of this Prospectus or to conform such statements to actual results or to changes in the Company's expectations and the Company disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. Accordingly, prospective purchasers should not place undue reliance on forward-looking information and statements, including the documents incorporated herein by reference, as statements containing forward-looking information involve significant risks and uncertainties and should not be read as guarantees of future results, performance, achievements, prospects and opportunities. The forward-looking information and statements contained herein are presented for the purposes of assisting prospective purchasers in understanding the Company's expected financial and operating performance and the Company's plans and objectives and may not be appropriate for other purposes.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, each of which has been filed with securities regulatory authorities in Canada and is available at www.sedar.com, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

(a) the annual information form (the "**AIF**") of the Company for the fiscal year ended December 31, 2020, dated March 15, 2021;

(b) the Company's audited financial statements as at and for the fiscal years ended December 31, 2020 and 2019, together with the independent auditors' report thereon and the notes thereto (the "**Annual Financial Statements**");

(c) the management's discussion and analysis of the financial condition and results of operations for the fiscal year ended December 31, 2020;

(d) the management information circular of the Company dated June 25, 2020 distributed in connection with the Company's annual and special meeting of shareholders held on July 23, 2020;

(e) the template version of the term sheet of the Company dated March 16, 2021 with respect to the Offering (the "**Marketing Materials**"); and

(f) the material change report dated March 19, 2021, with respect to the announcement of the Offering.

Any documents of the type referred to above or similar material and any documents required to be incorporated by reference herein pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions*, including any annual information form, all material change reports (excluding confidential reports, if any), business acquisition reports, marketing materials, all annual and interim financial statements and management's discussion and analysis relating thereto, or information circular or amendments thereto that the Company files with any securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to the termination of the Offering will be deemed to be incorporated by reference in this Prospectus and will automatically update and supersede information contained or incorporated by reference in this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies, replaces or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Prospectus.

MARKETING MATERIALS

Any "template version" of "marketing materials" (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*), including the Marketing Materials, are not part of this Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this Prospectus. Any "template version" of "marketing materials" (each as defined in National Instrument 41-101 – General Prospectus Requirements) filed on SEDAR after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of the Marketing Materials) will be deemed to be incorporated into this Prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Fasken Martineau DuMoulin LLP, counsel to the Company, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder, in force as of the date hereof, the Offered Shares, if issued on the date hereof, would be "qualified investments" under the Tax Act for trusts governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), registered education savings plan ("**RESP**"), registered disability savings plan ("**RDSP**") and a tax-free savings account ("**TFSA**") (collectively referred to as "**Deferred Income Plans**") and a deferred profit sharing plan, provided that the Offered Shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSXV).

Notwithstanding that an Offered Share may be a qualified investment for a Deferred Income Plan as discussed above, if the Offered Share is a "prohibited investment" for the purposes of the Tax Act, the holder of a RDSP or TFSA, the subscriber of a RESP or the annuitant under an RRSP or RRIF which holds such Offered Share will be subject to penalty taxes as set out in the Tax Act. The Offered Share will be a prohibited investment for a Deferred Income Plan if the holder, subscriber or annuitant, as the case may be, does not deal at arm's length with the Company for the purposes of the Tax Act or has a "significant interest" (as defined in the Tax Act for purposes of the prohibited investment rules) in the Company. However, an Offered Share will not be a "prohibited investment" if such securities are "excluded property" (as defined in the Tax Act for purposes of the prohibited investment rules) for trusts governed by such Deferred Income Plan.

Purchasers who intend to hold Offered Shares through a Deferred Income Plan should consult their own tax advisors in regard to the application of these rules in their particular circumstances.

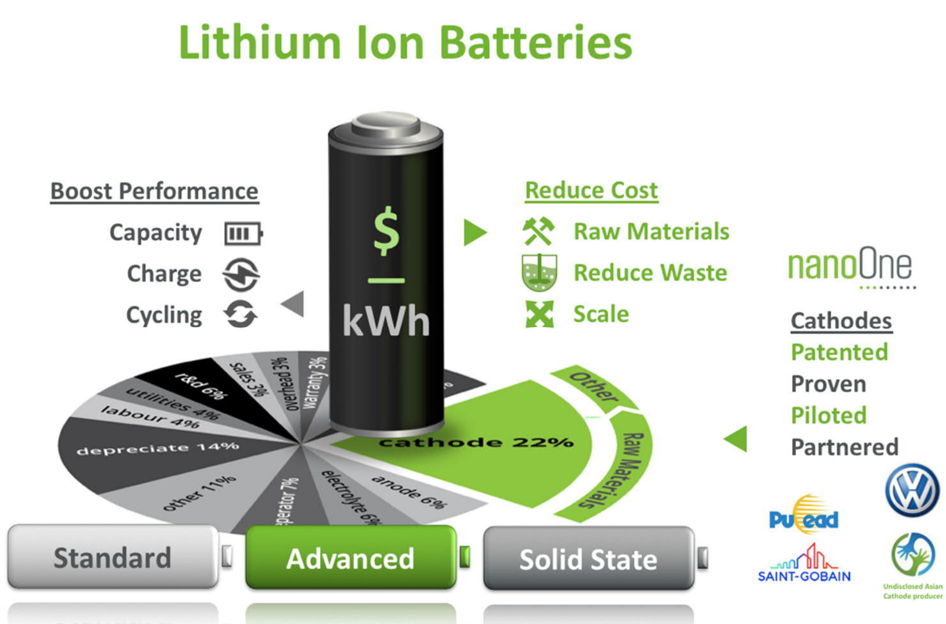
DESCRIPTION OF THE BUSINESS

Corporate Structure

The Company was incorporated under the laws of the Province of Alberta on November 5, 1987 and continued under the laws of the Province of British Columbia on September 8, 2004. On March 5, 2015, the Company completed a combination with Perfect Lithium Corp. ("**PLC**"), a private company incorporated in February 2011 under the laws of the Province of British Columbia, whereby it acquired all the issued and outstanding Common Shares of PLC in exchange for issuing Common Shares to the former shareholders of PLC. On July 1, 2015, the Company amalgamated with PLC and continued as one company under the name, Nano One Materials Corp. Nano One trades on the TSXV under the symbol "NNO".

The Company's head office is located at Unit 101B, 8575 Government Street, Burnaby, British Columbia V3N 4V1 and its registered and records office is located at 2900 - 550 Burrard Street, Vancouver, British Columbia V6C 0A3.

Business of the Company



The Company has developed, patented and scaled-up an innovative One-Pot Process (as defined below) for the production of cathode active materials ("CAM") for lithium-ion battery applications in electric vehicles, energy storage systems, and consumer electronics. Nano One has demonstrated its technology in the laboratory, built a demonstration pilot plant, and is partnering with key automotive original equipment manufacturers ("**OEMs**") and cathode manufacturers, with the business intent of licensing its technology through joint venture and royalty arrangements.

Nano One's technology is intended to improve the performance and cost of cathode materials, reduce complexity and excess waste in the supply chain, minimize carbon footprint, and to simplify production using environmentally sustainable processes. It is a manufacturing platform suited to many types of lithium-ion cathode materials, and applies to automotive, grid storage and consumer electronic batteries, including standard, advanced, and next generation solid state batteries.

One Pot Process Technology

Nano One's patented "one-pot process" (the "**One-Pot Process**") is engineered to use non-sulfate forms of metal feedstock, with the intention of reducing total cost and carbon footprint of feedstock needs per kilogram of CAM, eliminating the need to convert metal to metal sulphate, lithium to lithium hydroxide, sulphate waste, excess water consumption, excess greenhouse gas emissions ("**GHG**") and added process costs. Furthermore, the process uses lithium feedstock in the form of carbonate rather than hydroxide which is costly, corrosive and harder-to-handle. The process is feedstock flexible which enables improved optionality of sourcing of raw materials. The process also forms innovative coated nanocrystal cathode powders that are designed to be more durable than conventional cathode powders.

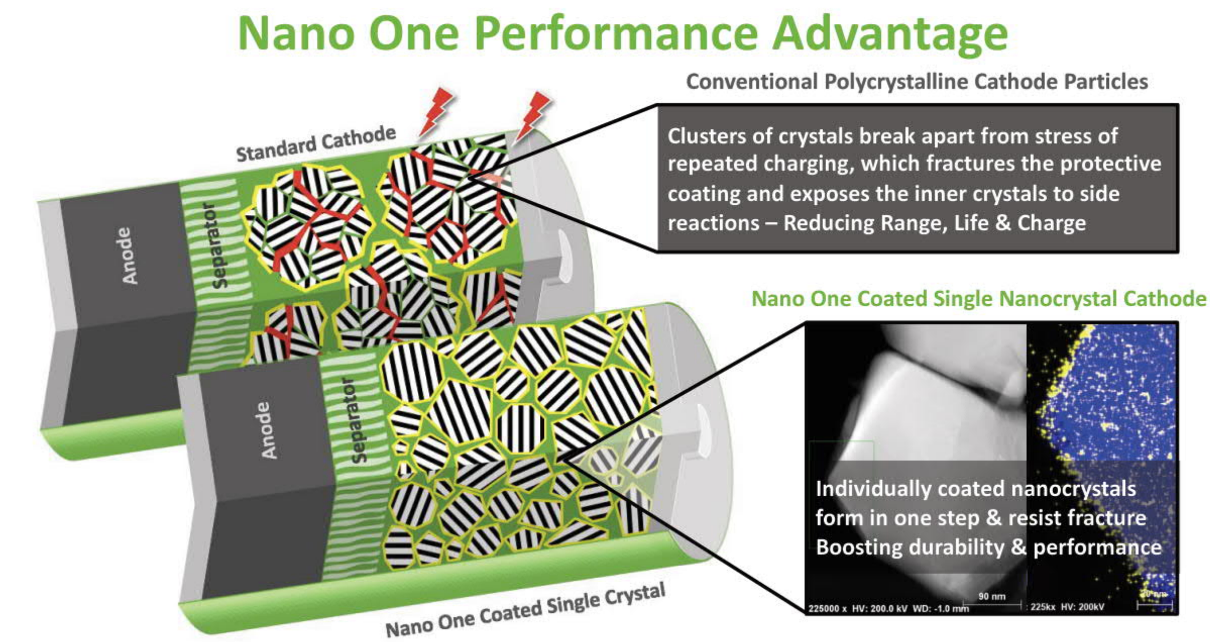
The One-Pot Process is an aqueous process, using carbon neutral chemistry, that operates at room-temperature and atmospheric pressures, and it combines feedstock conversion, precursor formation, lithiation and coating steps into one reaction. This creates added value for metals and aligns Nano One with the environmental, sustainability and cost objectives of automotive companies, miners, investment communities and governmental infrastructure initiatives.

Nano One's process consists of three stages, and the major innovations lie in the first stage where a special mode of combining reactants controls crystal nucleation and growth of particles, while converting the input materials into a composite powder that readily fires in a downstream kiln to form coated nanocrystal cathode powders. Nucleation is the self-assembly of molecules into an organized structure. The desired nano-scale or superfine structure is formed in the first stage of the production cycle and eliminates many steps common to the incumbent industrial processes.

The desired crystal structure, morphology and performance enhancing coatings of the materials are formed readily and simultaneously in the final thermal processing steps, eliminating extra coating steps and the need for long and repeated kiln firings. The process produces crystalline material powders that are configurable to meet a variety of energy density requirements.

Coated Nanocrystal Technology

The coated nanocrystal innovation addresses a key battery trade-off between energy density and durability. Increased durability would provide electric vehicle manufacturers greater flexibility in optimizing range, charging rates, safety, and cost. The One-Pot Process combines all input components: lithium, metals, additives, and coatings in a single reaction to produce a precursor that, when dried and fired, forms quickly into a single crystal cathode material simultaneously with its protective coating. Additional information on the Company's coated nanocrystal technology can be found in the Company's AIF, including technical updates, published results and patents granted.



Furthermore, by increasing the ratio of nickel to cobalt in cathode materials, cobalt supply chain risks can be reduced; however, the shift to nickel-rich materials compromises cycle life and safety in the battery.[1] Coated monocrystalline cathode powders can address these problems[2] and the Company's coated nanocrystals provide similar improvements to durability as evidenced through the Company's published results and portfolio of intellectual property.

The coated nanocrystal technology applies to all of the cathode materials and compositions under development by the Company, including:

- **(LFP):** Lithium Iron Phosphate;
- **(LNM or HVS)**: Lithium Nickel Manganese Oxide, also referred to as "High Voltage Spinel"; and
- **(NMC):** Lithium nickel manganese cobaltate.

M2CAM Technology

In February 2021, Nano One announced the launch of its M2CAM (as defined below) technology which seeks to reduce cost, waste, and the carbon footprint in the lithium-ion battery supply chain. The Company commenced or continued discussions with large integrated miners to reduce environmental footprints and maximize upstream value in the global battery supply chain. Nano One's other collaborators include automotive OEMs with similar motivations to meet environmental targets by reducing waste, carbon emissions, logistics and costs. Patents are pending for M2CAM and preliminary test results are showing battery capacity up to 5% higher than cathode materials currently made from metal salts.

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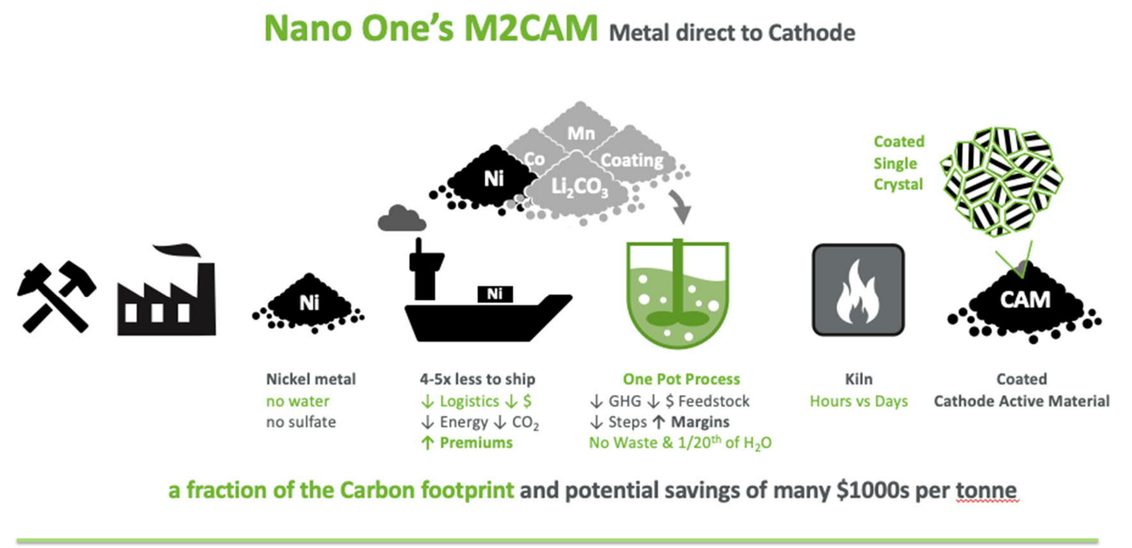
1 H.-J. Noh et al. / Journal of Power Sources 233 (2013) 121-130.

2 Jessie E. Harlow et al, Journal of The Electrochemical Society 166 (13) A3031-A3044 (2019) A3031.



Nano One's patented One-Pot Process forms durable single crystal cathode powders and protective coatings simultaneously and the process has been adapted for M2CAM, enabling these materials to be made directly from nickel, manganese and cobalt metal powder feedstocks rather than metal sulfates or other salt powders. Metal powders are one-fifth of the weight of metal sulfates, avoiding the added costs, energy and environmental impact of converting to sulfate and shipping and handling of waste.

Nano One's technology also offers the flexibility to use either lithium carbonate or hydroxide as feedstocks. This is enabled by mixing lithium with all other metal inputs in Nano One's patented One-Pot Process reaction to produce a fully-lithiated mixed-metal intermediate powder that is neither carbonate nor hydroxide, allowing it to react and form finished cathode powder when thermally processed in a furnace.

In contrast, conventional cathodes are made by first converting metals into metal sulfates and lithium into lithium hydroxide. The metal sulfates are then mixed in a chemical reaction to produce a mixed metal nickel manganese cobalt precursor powder ("PCAM"), with the sulfate and water going to waste. This PCAM is then milled with lithium hydroxide powders after a prolonged firing, form dense clusters of crystalline particles (polycrystalline). Protective coatings can then be formed by adding additional materials and firing again. However, crystals, within each grain of powder, contract and break apart from repeated charging, and this fractures the protective coatings and leaves individual crystals within the grains of powder exposed to side reactions. Extra time in the kiln can alleviate some of these issues, but also damages the crystal structures and adds cost.

Nano One's technology aligns it with the sustainability objectives of automotive companies, investment communities and governmental infrastructure initiatives. It also offers an opportunity for metals refiners to provide environmentally and sustainability mined sources of nickel ore to integrate and manufacture cost-reduced value-added cathode powders for direct supply to battery manufacturers.

In January 2021, the Company announced that it had submitted a proposal to demonstrate its M2CAM and One-Pot Process technologies in the Chilean Clean Technology Institute, Instituto Chileno de Tecnologías Limpias (ICTL), as part of a joint project proposal with Associated Universities, Inc. (AUI). AUI were awarded the winning bid by the Corporación de Fomento de la Producción de Chile (CORFO) Council on January 4, 2021 to build, manage and operate the Institute. The Company is also pursuing other piloting and joint venture initiatives with miners, cathode producers and OEMs in various jurisdictions around the world.

The Company understands AUI is in the process of negotiating the framework agreement with ICTL, following which the Company anticipates entering into discussions and negotiations with respect to it's defined role, commitment, timeline and implementation steps. No funding commitments have been made at this time. The Company anticipates entering into a binding agreement related to this project following discussions and negotiations.

Product Development and Milestones

NMC622 and 811. In June 2020, the Company announced the development of a coated, single crystal cathode material for lithium-ion batteries that is providing up to four (4)-times improvement in longevity compared to uncoated materials. This technology is applicable to all of Nano One's cathode materials but is especially relevant to lithium nickel manganese cobalt oxide (NMC 622 and NMC811). NMC materials are further improved by the Nano One's M2CAM technology which reduces complexity, cost, waste, and carbon footprint in the lithium-ion battery supply chain. The Company is now working with various automotive manufacturers, cathode producers and academic institutions to evaluate its patented One-Pot Process and coated NMC based materials.

The Company began working with various parties towards evaluating its coated, single crystal cathode materials starting in Q2 2020. No results have been published to date and remain confidential to the specific individual parties. Evaluations are ongoing following initial sample testing and optimization.

HVS (LNMO). The largest single challenge in solid state batteries is to design a stable and commercially viable interface between the solid electrolyte, of polymer, ceramic or glass composition, and the solid cathode and anode materials on either side of the electrolyte.

The Company is developing coated lithium nickel manganese oxide (LNMO), which is also referred to as high voltage spinel (HVS). HVS stabilizes the interface between cathode and electrolyte because: (i) it does not expand and stress the cathode-electrolyte interface like other cathode materials, and (ii) the coating protects the cathode from side-reactions with the electrolyte while allowing the rapid transfer of lithium-ions between the electrolyte and the cathode. In comparison to other cathode materials, HVS is faster charging and operates at higher voltage enabling increased power and energy densities. HVS is also free of cobalt and the associated supply chain risk.

In 2018, the Company synthesized HVS and is now working with various automotive manufacturers, cathode producers and academic institutions to evaluate its patented One-Pot Process and coated HVS cathode materials.

In October 2020, the Company announced a further development in battery longevity with its cobalt-free high voltage cathode materials which were demonstrated at automotive rates of charge and discharge for over 900 cycles. The demonstration battery uses a low cost, cobalt-free LNMO cathode active material made with Nano One's proprietary One-Pot Process. This development seeks to facilitate the avoidance of rapid capacity fade and premature failure and demonstrates a high voltage lithium-ion battery cell with significant cycle life. The enabling technology is Nano One's patented LNMO cathode material operating up to 4.7 volts and made using the patented One-Pot Process. The LNMO voltage is 25% higher than commercial lithium-ion batteries, improving efficiency, thermal management and power.

In February 2021, Nano One announced the performance results of its proprietary coated single crystal HVS cathode material at the University of Michigan's test programs through Nano One's collaboration with the University of Michigan on the development of solid-state battery technology. In this collaboration Nano One supplies various cathode materials for evaluation in battery cells prepared and tested by the University of Michigan. The Company entered this cathode material evaluation program in the normal course of business and it does not necessitate binding agreements, termination clauses, scheduling or financial terms. The work is ongoing and the Company receives interim results from time to time as provided by the university.

LFP. Lithium Iron Phosphate (LFP) is the safest, longest lasting and lowest cost cathode material for lithium-ion batteries due to the relative stability of olivine crystal structure, its high durability and its low-cost inputs. Further cost reductions could significantly increase the demand for LFP to make it a cathode material of choice for energy storage systems, for replacing lead-acid batteries, and for expanding applications in entry level, heavy duty and long range electric vehicles.

In response to this opportunity, the Company has adapted its One Pot process for the production of LFP, has developed and piloted its low-cost process and has completed detailed engineering studies that highlight the improved economics, as per Engineering and Economic Modelling section below. The Company has ongoing efforts to further reduce production costs, so as to be competitive and well positioned as the LFP market continues to expand.

Engineering and Economic Modelling

In June 2020, an engineering report prepared by Noram Engineering and Constructors of Vancouver, British Columbia was completed, detailing enhanced design specifications and improved economics for the commercial scale production of lithium-ion battery cathode materials using Nano One's proprietary One-Pot Process for the production of cathode active materials.

The economics and design specifications in the report relate to the potential for a 4,800 tonne/year manufacturing line for the production of LFP and reveal a reduction in equipment and operating expenses from previous estimates and improved raw material costs. The report also forms an engineering basis for Nano One's other cathode materials, namely NMC and lithium manganese nickel.

Ongoing engineering work is underway to assess the processing and feedstock cost reductions and the waste and GHG reduction benefits of metal to cathode active material ("**M2CAM**") and the One-Pot Process. The engineering work is comprised of technoeconomic modeling in-house and, in collaboration with third party consultants, the Company is advancing towards increasing the level of detail in the engineering studies. Results of this study work is dependent on ongoing internal technology development.

Intellectual Property

As of the date hereof, the Company has been issued (16) sixteen patents and has more than 30 related patent applications pending throughout the world. The Company's intellectual property was developed and is wholly-owned by the Company. The Company has filed other patent applications and may file additional patents at a later date to further strengthen its intellectual property and technology going forward, although no assurances can be given that it will be successful in such endeavours. Additional information on the Company's intellectual property can be found in the Company's AIF.

Strategic Partnerships

The Company is actively collaborating, jointly developing and/or partnered with approximately twenty companies in the lithium battery materials supply chain and is actively seeking to expand its industry partnerships and commercialization opportunities.

Volkswagen. With Volkswagen, Nano One is focused on improving the durability of cathode materials using Nano One's innovative One-Pot Process and coated single crystal materials. Improved durability gives automotive OEMs like Volkswagen the ability to charge faster, drive further, extend warranties and lower the cost of long range and mass market electric vehicles. Nano One's strategy with Volkswagen is to define and create demand for a new generation of cathode materials, requiring royalty bearing rights to Nano One's intellectual property and licensing agreements with Volkswagen and/or its supply chain.

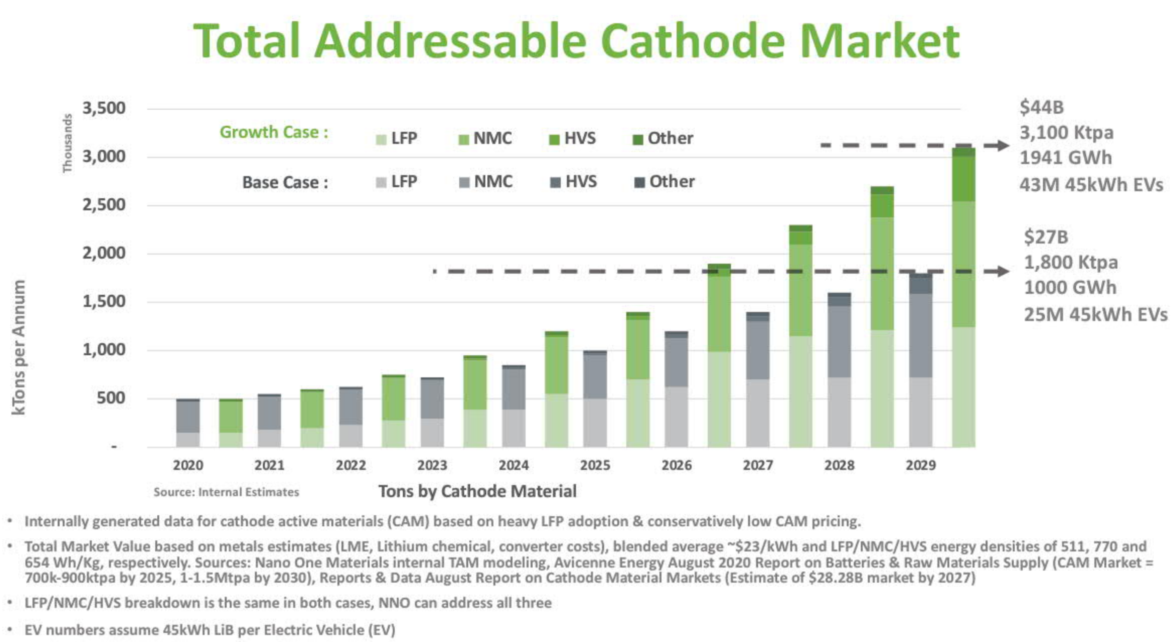
Global Automotive Company. In December 2020, Nano One entered into a Cathode Evaluation Agreement with an American based multinational auto manufacturer to jointly evaluate Nano One's cathode materials for automotive lithium-ion batteries. The goal of this project is to evaluate the performance and commercial benefit of Nano One's patented One-Pot process for nickel-rich and cobalt-free cathode materials in electric vehicle applications.

Pulead Technology. In January 2019, the Company entered into a Joint Development Agreement with Pulead Technology Industry. Under the agreement, Nano One’s initial focus is on manufacturing innovations and plant design to improve the cost, margins and competitiveness of LFP. If Nano One is successful in producing LFP at competitive prices and volumes, the Company expects to enter into royalty bearing license agreements and/or enter into joint ventures for the rights to use Nano One's intellectual property for the production of LFP.

Asian Manufacturer. In August 2020, Nano One signed a Joint Development Agreement with a large multinational materials producer that supplies the Asian automotive industry. Work under this agreement is focused on jointly developing the combined technologies of both companies to pursue a manufacturing opportunity, through licensing or joint venture, to supply materials for a new generation of lithium-ion batteries.

Saint-Gobain. Under the 2018 Joint Development Agreement with Saint-Gobain, Nano One and Saint-Gobain are jointly developing technology to improve efficiencies in the final stage of cathode production, where cathode powders are conveyed through long expensive furnaces to transform them into active battery materials. A successful program could lead to Nano One and Saint-Gobain co-marketing their technologies and products for improved thermal processing of CAM.

The Cathode Market Opportunity



The size of the global battery cathode materials market is projected to reach U.S.$25 billion by 2025[3]. Nano One's internal estimates as provided above show a total addressable market in cathode materials by the end of this decade ranging between U.S.$27 billion and U.S.$44 billion dollars per year. This represents up to 3.1 billion kilograms of cathode powder and up to 43 million, 45kWh average battery capacity, electric vehicles per year.

Nano One intends to bring value, differentiation, competitiveness and growth to partners throughout the lithium-ion battery supply chain, through its process technologies and cathode materials. Nano One is aiming to monetize that value through licensing, joint venture or sale and to have its technologies adopted as industry leading methods of making advanced cathode materials with continuous innovation to preserve value, differentiation, competitiveness and sustainability.

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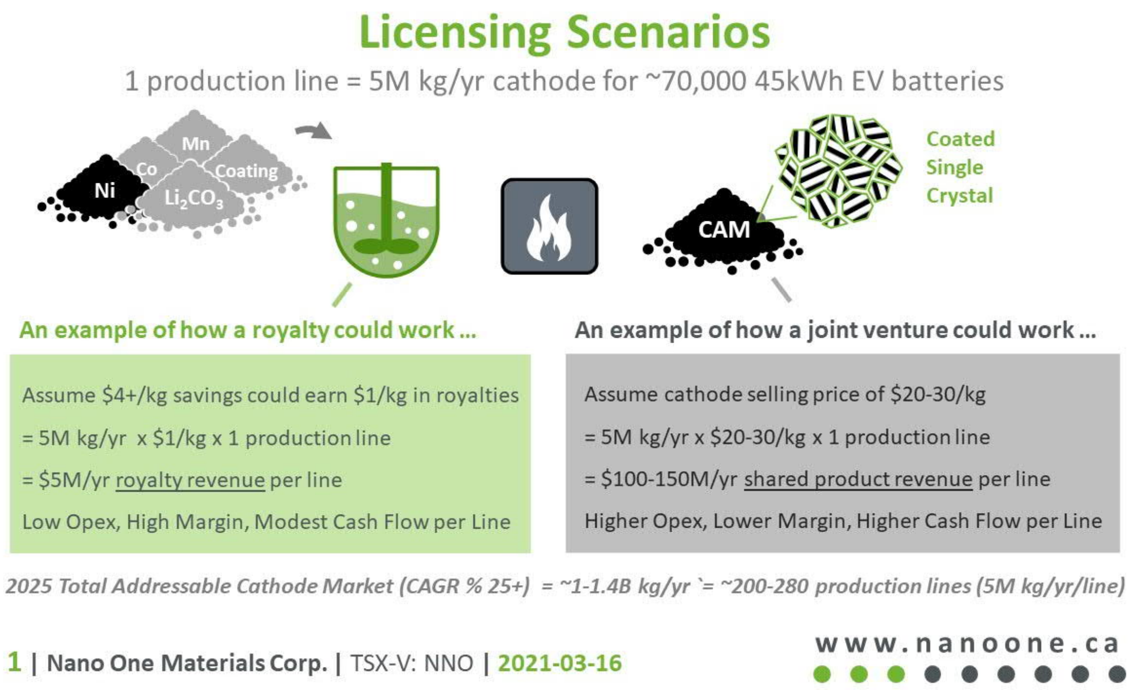
3 Avicenne Energy August 2020 Report on Batteries & Raw Materials Supply (700k-900k tons Cathode mats market by 2025) and a report by Reports & Data August 2020 Report on Cathode Material Markets (Estimate of $28.28B market by 2027).

An illustrative example of how a licensing agreement (royalty) or joint venture agreement (plant ownership) may look:



To do this, Nano One is collaborating with material producers and jointly developing its processes for the production of cathode materials using Nano One's technology. Nano One is also actively and jointly developing next generation cathode materials with automotive OEMs to create demand for its process and materials technologies.

By collaborating at both ends of the value chain, Nano One aims to create demand for its cathode materials through OEM partnerships and their battery innovation efforts, while partnering with leading materials manufacturers to adopt Nano One technology for the commercial scale production of cathode materials.

Corporate Overview

The Company was formed in 2011 as a private entity and became a publicly reporting issuer in March 2015 through a reverse take-over. Since 2011, the Company has raised approximately $47 million in equity and approximately $13 million in non-dilutive, non-repayable government support and has an estimated runway extending through 2024. The Company was granted its first patent in 2015 and now has 16 patents granted in Canada, US, Japan, Korea, Taiwan and China, with more than 30 patents pending in various jurisdictions around the world. The Company has disclosed five partnerships and collaborations since Q4 2018 and is working to add more partnerships, licensing agreements and patents.

The Company has 38 employees, led by an experienced and proven leadership team with globally recognized advisors in the lithium-ion battery supply chain.

- Dan Blondal is CEO and Founder of Nano One and has 30 years experience in building and managing high growth technologies.

- Dr. Stephen Campbell is CTO and has over 30 years experience in energy storage and electrochemical systems, including roles as principal scientist at Ballard Power and its Daimler/Ford spinoff, Automotive Fuel Cell Corporation.

- Mr. Alex Holmes is COO and has 20 years experience in capital markets, with 10 years in investment banking and 10 years building natural resource and technology companies.

- Mr. Dan Martino is CFO and has 10 years experience in financial reporting consultation and assurance with natural resource and technology companies.
- Paul Matysek is chairman at Nano One and has led over $2 billion in enterprise growth in energy metals and mining ventures.
- John Lando co-founded Nano One and serves as President. He brings 30 years of venture experience in the capital markets.
- Joe Lowry is a strategic advisor to Nano One and has worked for top lithium producers in the US, Japan and China. Mr. Lowry has extensive worldwide market experience and is recognized as a world-renowned expert on the Lithium supply chain.
- Bob Morris is a former Executive Vice President at Vale developing their electric vehicle strategy, and is advising Nano One on Nickel and Cobalt supply, and integration opportunities with metals producers.

Facilities Expansion

In 2020, the Company began the expansion of facilities at its head office location in Burnaby, British Columbia. Two new units were leased to grow its facilities from 5,000 sq. ft. to 15,000 sq. ft. The purpose of the expansion is to facilitate infrastructure growth by adding a new dry room (in construction), laboratory space (completed), expanding the battery test room (completed), adding new furnaces and facilitating the increase in staffing to support these efforts.

Annual Information Form Update Regarding Holdings

As of the date hereof and as of the date of the AIF, Dan Blondal owns or controls 1,380,000 Common Shares and Paul Matysek owns or controls 2,339,416 Common Shares.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at the dates indicated, adjusted to give effect to the Offering, on the share capital of the Company since December 31, 2020, the date of the Annual Financial Statements. This table should be read in conjunction with the financial statements of the Company and the related notes and management's discussion and analysis of the financial condition and results of operations in respect of those statements that are incorporated by reference in this Prospectus.

Capital	Outstanding as at December 31, 2020 prior to giving effect to the Offering	Outstanding as at December 31, 2020 after giving effect to the Offering(1)(2)(3)
Share Capital	$50,733,826	$77,665,571
	88,237,538 Common Shares	93,642,538 Common Shares
Stock Options(4)	4,604,075	4,604,075
Warrants(5)	5,041,898	5,041,898
Broker Warrants(6)	519,430	843,730
Deficit	$(26,561,978)	$(26,561,978)
Reserves	$4,726,488	$4,726,488
Total Shareholders' equity	$28,898,336	$55,830,081

Notes:

(1) Assumes the exercise in full of the Over-Allotment Option.

(2) After deducting the Underwriters' Fee of $1,735,005 and the estimated expenses of the Offering of $250,000 (excluding taxes).

(3) Since December 31, 2020, 1,356,740 warrants and 283,250 stock options have been exercised into an aggregate of 1,639,990 Common Shares. In addition, 1,823,950 stock options have been granted, and 33,750 stock options have been cancelled. As a result, as of the date of this Prospectus there are an aggregate of 89,877,528 Common Shares, 4,204,588 warrants and 6,111,025 stock options issued and outstanding.

(4) After giving effect to the Offering and the updates provided in note (3) above, exercise prices of stock options outstanding range from $0.50 to $5.26.

(5) After giving effect to the Offering and the updates provided in note (3) above, exercise prices of warrants outstanding range from $1.60 to $3.55.

(6) After giving effect to the Offering and the updates provided in note (3) above, exercise prices of Broker Warrants range from $1.60 to $5.35.

USE OF PROCEEDS

Proceeds

The net proceeds to the Company from the Offering (assuming gross proceeds of the Offering of $25,145,000 and no exercise of the Over-Allotment Option) are estimated to be $23,636,300 after deducting the Underwriters' Fee of $1,508,700 and the estimated expenses of the Offering of $250,000 (excluding taxes). In the event that the Over-Allotment Option is exercised in full, the net proceeds to the Company are estimated to be $26,931,745 after deducting the Underwriters' Fee of $1,735,005 and the estimated expenses of the Offering of $250,000 (excluding taxes). See "*Plan of Distribution*".

The net proceeds of the Offering (assuming no exercise of the Over-Allotment Option), will be used as follows:

Principal Purposes

Principal Purpose	**Proceeds**	**Allocation of Proceeds if Over-Allotment Option is exercised**
Research and development(1)	$4,727,000	$5,386,000
Capital equipment purchases and leasehold improvements on laboratory facilities(2)	$2,836,000	$3,232,000
Pilot plant expansion(2)	$9,455,000	$10,773,000
Intellectual property acquisition(3)	$1,182,000	$1,347,000
Business development and strategic alternatives(4)	$1,891,000	$2,155,000
Working capital and general corporate purposes(5)	$3,545,300	$4,038,745
Total(6):	**$23,636,000**	**$26,931,745**

Notes:

(1) Includes initiatives to scale management and research teams and achieve prototyping and scaling up. See "*Business Objectives and Milestones*" below.

(2) Includes initiatives to expand the demonstration pilot plant and laboratory facilities and building a commercial plant. See "*Business Objectives and Milestones*" below. The use of proceeds of $2,836,000 and $3,232,000 is for equipment procurement, leasehold improvements, and facility lease payments during 2021 to 2022. Pilot plant expansion of $9,455,000 and $10,773,000 is allocated as approximately $1,000,000 for expansion of the existing demonstration pilot plant over the course of 2021 to 2022, with the remainder for construction of further pilot facilities by 2024.

(3) Intellectual property acquisition is allocated to costs relating to patent applications, prosecution, and maintenance.

(4) Includes initiatives to advance partnerships and collaborations towards international piloting activities, joint venture initiatives, licensing agreements and third-party validation. See "*Business Objectives and Milestones*" below.

(5) Working capital and general corporate purposes is expected to increase starting in 2021 due to emerging industry opportunities. The Company's cash and cash equivalents, and short-term investment in aggregate of approximately $28,759,000 as at December 31, 2020 will also be accessed for additional liquidity in 2021 and beyond.

(6) After deducting the Underwriters' Fee of $1,508,700 ($1,735,005 in the event that the Over-Allotment Option is exercised in full), and the estimated expenses of the Offering of $250,000 (excluding taxes).

To the extent that the Underwriters exercise the Over-Allotment Option, the portion of the proceeds allocated to working capital and general corporate purposes will be increased accordingly.

The above noted allocation represents the Company's intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Actual expenditures may differ from the estimates set forth above. There may be circumstances where for sound business reasons the Company reallocates the use of proceeds. See "*Risk Factors – Discretion in the Use of Proceeds*" and "*Risk Factors – Additional Financing*".

Until applied, the net proceeds will be held as cash balances in the Company's bank account or invested in savings accounts, certificates of deposit and other instruments issued by banks or guaranteed by the Government of Canada or any province thereof.

During the fiscal year ended December 31, 2020, the Company had negative cash flow from operating activities. The Company's cash and cash equivalents, and short-term investment as at December 31, 2020 were in aggregate approximately \$28,759,000. Although the Company anticipates it will have positive cash flow from operating activities in future periods, the Company cannot guarantee it will have a cash flow positive status from operating activities in future periods. To the extent that the Company has negative operating cash flow in any future period, certain of the proceeds from the Offering may be used to fund such negative cash flow from operating activities. See "*Risk Factors – Negative Cash Flow from Operations*".

Business Objectives and Milestones

The Company's short-term objectives (1-3 years) include:

- Developing, advancing and promoting the M2CAM adaption of its One-Pot process through collaborative partnerships with OEMs, miners and cathode producers. The Company is aiming to disrupt the supply chain and make cathode materials direct from metal powders and lithium carbonate. This eliminates the conversion of metals to sulfates, lithium to hydroxide and the associated energy, GHG emissions, cost, waste and the needless transport of water and sulfate. The proceeds allocated to research and development will be used to support this objective.
- Prototyping and scaling up by expanding its demonstration pilot plant and laboratory facilities to serve technology development, partnership and licensing objectives. The proceeds allocated to research and development, capital equipment purchases, and pilot plant expansion will each be used to support this objective.
- Developing and building its first internationally located demonstration pilot plants and commercial plant(s), and establishing joint ventures and licensing agreements, by advancing partnerships (Pulead, Volkswagen, Asian Cathode Manufacturer and others, including undisclosed US automotive partners, global metals miners and the Chilean Clean Technology Institute) with the goal of initial revenues by the end of 2022. The proceeds allocated to pilot plant expansion will be accessed to facilitate this objective.
- Third-party validation and partner identification with its joint development partners are already in place with additional automotive, cathode and mining partners in the queue and targeted throughout the supply chain.

The Company's long-term objectives (3-5 years), include:

- Generating royalty and joint venture revenues from the production of NMC, LFP and HVS in collaboration and partnership with US, European and Asian companies. The Company anticipates license revenues from NMC will follow, as coated single crystal and the Company's M2CAM technology is advanced. Markets for HVS and other advanced CAM formulations will be nurtured through the development of advanced high voltage batteries and solid-state batteries with OEMs and anode/electrolyte developer consortiums.
- Commercial expansion via manufacturing adoption of the One-Pot Process, accelerated with differentiation and market growth. Revenue expansion is anticipated to flow from scale of clients.

- Access to potential U.S. $25 billion global cathode materials market through ongoing innovation for high margin opportunities in licensing, joint ventures, mergers and acquisition, and supply chain integration. Continuous innovation in battery cathodes would add value and help preserve high margins.

The allocation of proceeds from pilot plant expansion, intellectual property acquisition, business development, and working capital will be accessed to facilitate the long-term objectives stated above.

To accomplish the business objectives above, the Company must (i) demonstrate clear economic and environmental benefit through economic and engineering modeling; (ii) validate the performance of its materials in battery testing programs both internally and with its cathode / OEM partners; and (iii) finance, design, build, construct and operate pilot, demonstration or full-scale production facilities in collaboration with its partners.

Demonstration and performance validation may require 18-36 months while engineering, construction and piloting may require 12-24 months, some of which can be done in parallel and is already underway. The commencement of a commercialization phase will be determined when a definitive agreement is reached with a party to plan, design, finance, construct and operate a cathode production facility. The Company anticipates existing cash and cash equivalents as budgeted, together with the proceeds from the Offering, will support advancement to the commercialization phase. The timeline and any additional financial requirements will be defined by the form, structure and scope of a definitive commercialization agreement. See "*Risk Factors – Execution of Business Plan*".

The Company's research and development programs are in various stages of scaling up the synthesis of each of its cathode materials. Additional research and development expenditures are being directed towards the Company's M2CAM technology. The use of proceeds for research and development is aimed at accelerating the scale-up, piloting and ultimately adoption of the Company's patented technology for commercial use. The Company is concurrently working with third parties and current or prospective partners in the evaluation of its patented One-Pot Process for commercial-scale levels. The Company's scale-up efforts are anticipated to cost approximately $1 million annually, to be followed by additional expenditures for pilot plant construction and operations with various third parties as part of the path towards reaching large-scale commercialization. This may be done through possible royalty or joint venture initiatives with each requiring different levels of capital contributions to achieve the long-term objectives.

The Company's planned path to commercialization falls within one to three years. See "*Use of Proceeds – Principal Purposes*" above for the allocation of funds to these business objectives.

PLAN OF DISTRIBUTION

Under the Underwriting Agreement, the Company has agreed to sell, and the Underwriters have agreed to purchase, on the Closing Date, 4,700,000 Offered Shares at the Offering Price, payable in cash to the Company, against delivery of the Offered Shares, subject to compliance with all necessary legal requirements and to the conditions contained in the Underwriting Agreement.

The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion upon the occurrence of certain stated events as set out in the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares (other than the Over-Allotment Shares) if any of the Offered Shares are purchased under the Underwriting Agreement. Each Underwriter may terminate its obligations under the Underwriting Agreement at its discretion on the basis of a "material change out", "disaster out", "regulatory out", "breach out" and upon the occurrence of certain other stated events.

The Offering Price was determined by arm's length negotiations between the Company and the Underwriters.

Subscriptions for the Offered Shares will be received subject to rejection or allotment, in whole or in part, and the Underwriters reserve the right to close the subscription books at any time without notice. The Offered Shares shall be taken up by the Underwriters, if at all, on or before a date not later than 42 days after the date of the receipt for this short form prospectus.

Offered Shares sold by the Underwriters to the public will initially be offered at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Shares at the Offering Price, the Underwriters may change the Offering Price and the other selling terms to an amount not greater than the Offering Price. Pursuant to the Underwriting Agreement, the Underwriters are obligated to purchase the Offered Shares at the prices and upon the terms stated therein and, as a result, bear any risk associated with changing the Offering Price or other selling terms.

It is expected that the Offering will be conducted under the book based system and the Company will arrange for the instant deposit of the Offered Shares to be registered to CDS. Accordingly, a subscriber who purchases Offered Shares will receive a customer confirmation from the Underwriters or a CDS Participant from or through whom Offered Shares are purchased. No beneficial holder of the Offered Shares will receive definitive certificates representing their Offered Shares, except in limited circumstances. CDS will record the CDS Participants who hold the Offered Shares on behalf of owners who have purchased or transferred the Offered Shares in accordance with the book-based system.

The Offering is being made concurrently in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia. The Offered Shares will be offered in Canada through the Underwriters either directly or through their agents, as applicable. Offers and sales of Offered Shares outside of Canada will be made in accordance with applicable laws in such jurisdictions.

The Offered Shares have not been and will not be registered under the U.S. Securities Act or any United States state securities laws, and accordingly may not be offered, sold or delivered, directly or indirectly, in the United States except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriters may offer and resell the Offered Shares that they have acquired pursuant to the Underwriting Agreement in the United States to persons who are "qualified institutional buyers", as such term is defined in Rule 144A under the U.S. Securities Act, in compliance with Rule 144A under the U.S. Securities Act and applicable United States state securities laws. The Underwriters will offer and sell the Offered Shares outside the United States only in accordance with Rule 903 of Regulation S under the U.S. Securities Act. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares in the United States. In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Shares in the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made other than in accordance with an exemption from such registration requirements. Any Offered Shares offered or sold in the United States will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act.

Roth Capital Partners LLC is not registered as an investment dealer in any Canadian jurisdiction for the purposes of the Offering and, accordingly, Roth Capital Partners LLC will not offer and sell the Offered Shares in Canada.

The outstanding Common Shares are listed and posted for trading on the TSXV under the symbol "NNO". The TSXV has conditionally approved the listing of the Offered Shares and the Broker Shares distributed hereunder. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

The Company has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part, at the sole discretion of the Underwriters, for a period of 30 days after and including the Closing Date, to purchase up to an additional 705,000 Offered Shares at the Offering Price, to cover over allotments, if any, and for market stabilization purposes.

This short form prospectus will also qualify the grant of the Over-Allotment Option and the distribution of the Over-Allotment Shares.

In consideration for their services in connection with the Offering, the Company has agreed to (a) pay the Underwriters the Underwriters' Fee which is equal to six percent (6%) of the gross proceeds of the Offering, being an aggregate fee of $1,508,700, or $0.321 per Offered Share, and (b) issue to the Underwriters the Broker Warrants, exercisable to acquire, within one (1) year of the Closing Date, in the aggregate, that number of Broker Shares equal to 6% of the number of Offered Shares sold under the Offering including, for greater certainty, any Additional Shares sold on the exercise of the Over-Allotment Option, if any, at an exercise price equal to the Offering Price. The Underwriters may offer selling group participation to other registered dealers that are satisfactory to the Company, acting reasonably, with compensation to be negotiated between the Underwriters and such selling group participants, but at no additional cost to the Company.

The Company has agreed in the Underwriting Agreement that the Company shall not, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional Common Shares or any securities convertible or exchangeable into Common Shares, other than pursuant to (i) the Underwriting Agreement; (ii) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements and/or (iii) the exercise of other convertible securities outstanding on the date hereof, for a period of 90 days from the Closing Date, without the prior written consent of the Lead Underwriters, such consent not to be unreasonably withheld.

The Company also agreed to cause the directors and officers of the Company to execute and deliver lock-up agreements, in favour of the Underwriters, on behalf of the Underwriters, in a form satisfactory to the Company and the Underwriters acting reasonably, pursuant to which such directors and officers agree not to (other than in certain circumstances) directly or indirectly, offer, sell, lend, swap or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with (or publicly announce any intention to do any of the foregoing), through the facilities of any stock exchange, by private placement or otherwise, any Common Shares or other securities of the Company held by them, for a period of 90 days from the Closing Date, unless they first obtain the prior written consent of the Underwriters, which consent shall not be unreasonably withheld or delayed.

The Company has agreed in the Underwriting Agreement to indemnify the Underwriters against certain liabilities, including liabilities under Canadian securities laws, and, where such indemnification is unavailable, to contribute to payments that the Underwriters may be required to make in respect of such liabilities.

In order to facilitate the Offering, the Underwriters may engage in transactions that stabilize, maintain or otherwise affect the market price of the Common Shares in accordance with applicable securities laws. Specifically, the Underwriters may sell more Common Shares than they are obligated to purchase under the Underwriting Agreement, creating a short position. A short sale is covered if the short position is no greater than the number of Common Shares available for purchase by the Underwriters under the Over-Allotment Option. The Underwriters can close out a covered short sale by exercising the Over-Allotment Option or purchasing Common Shares in the open market. In determining the source of Common Shares to close out a covered short sale, the Underwriters will consider, among other things, the open market price of Common Shares compared to the price available under the Over-Allotment Option. The Underwriters may also sell Common Shares in excess of the Over-Allotment Option, creating a naked short position. The Underwriters must close out any naked short position by purchasing Common Shares in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Common Shares in the open market after pricing that could adversely affect investors who purchase in the Offering. As an additional means of facilitating the Offering, the Underwriters may bid for, and purchase, Common Shares in the open market to stabilize the price of the Common Shares. These activities may raise or maintain the market price of the Common Shares above independent market levels or prevent or retard a decline in the market price of the Common Shares. The Underwriters are not required to engage in these activities and may end any of these activities at any time.

Pursuant to the policies of certain Canadian securities regulators, the Underwriters may not, throughout the period of distribution under this short form prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions, including: (a) a bid or purchase permitted under the bylaws and rules of applicable regulatory authorities and stock exchanges, including the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada, relating to market stabilization and passive market making activities; (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution; (c) a bid or purchase to cover a short position entered into prior to the distribution; and (d) transactions in compliance with U.S. federal securities laws. Any such trades are permitted only on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The Offering consists of 4,700,000 Offered Shares. The Offered Shares are offered at the Offering Price of $5.35 per Offered Share. The Company has also granted to the Underwriters an Over-Allotment Option to purchase up to 705,000 Additional Shares for a period of 30 days from the Closing Date.

The Company's articles permit the issuance of an unlimited number of Common Shares. As at the date of this Prospectus, the Company has 89,877,528 fully paid and non-assessable Common Shares issued and outstanding.

The holders of Common Shares are entitled to receive notice of and attend all meetings of the shareholders of the Company and are entitled to one vote in respect of each Common Share held at such meetings. All of the Common Shares rank equally within their class as to dividends, voting rights, participation in assets and in all other respects. None of the Common Shares are subject to any call or assessment nor pre-emptive or conversion rights.

As of the date of this Prospectus, the Company has neither declared nor paid any dividends on its Common Shares since the date of its incorporation. Any payments of dividends on the Common Shares will be made in accordance with the *Business Corporations Act* (British Columbia), and will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the board of directors of the Company may consider appropriate under the circumstances. It is unlikely that the Company will pay dividends in the immediate or foreseeable future.

PRIOR SALES

For the 12-month period before the date of this Prospectus, the Company issued the following Common Shares and securities exercisable or convertible into Common Shares.

Date Granted/Issued	Number of Securities	Security	Issue/Exercise Price
March 23, 2021[(1)]	7,000	Common Shares	$1.60
March 18, 2021[(1)]	1,155	Common Shares	$1.60
March 18, 2021[(2)]	10,000	Common Shares	$2.81
March 17, 2021[(1)]	4,130	Common Shares	$1.60
March 17, 2021[(1)]	1,500	Common Shares	$3.55
March 15, 2021[(1)]	10,719	Common Shares	$1.60
March 15, 2021[(1)]	17,500	Common Shares	$1.60
March 15, 2021[(1)]	5,000	Common Shares	$3.55
March 11, 2021[(1)]	15,000	Common Shares	$1.60
March 11, 2021[(1)]	2,500	Common Shares	$3.55
March 8, 2021[(1)]	10,625	Common Shares	$1.60
March 3, 2021[(1)]	13,750	Common Shares	$3.55
March 1, 2021[(1)]	2,500	Common Shares	$3.55
February 25, 2021[(3)]	54,200	Options	$5.26
February 24, 2021[(1)]	10,500	Common Shares	$1.60
February 24, 2021[(2)]	100,000	Common Shares	$1.35
February 22, 2021[(1)]	1,500	Common Shares	$1.60
February 22, 2021[(1)]	5,500	Common Shares	$3.55
February 16, 2021[(1)]	6,500	Common Shares	$1.60
February 11, 2021[(1)]	1,000	Common Shares	$1.60
February 11, 2021[(1)]	3,500	Common Shares	$3.55
February 10, 2021[(2)]	20,000	Common Shares	$2.52
February 10, 2021[(1)]	211,316	Common Shares	$2.72
February 9, 2021[(1)]	12,500	Common Shares	$3.55

February 9, 2021[(1)]	12,500	Common Shares	$1.60
February 5, 2021[(1)]	4,000	Common Shares	$1.60
February 4, 2021[(1)]	482,000	Common Shares	$3.55
February 3, 2021[(1)]	5,500	Common Shares	$3.55
February 2, 2021[(2)]	100,000	Common Shares	$0.38
February 1, 2021[(3)]	1,769,750	Options	$5.10
January 27, 2021[(1)]	30,000	Common Shares	$2.72
January 26, 2021[(2)]	15,000	Common Shares	$2.81
January 25, 2021[(1)]	16,500	Common Shares	$3.55
January 22, 2021[(2)]	2,000	Common Shares	$2.52
January 22, 2021[(1)]	15,000	Common Shares	$3.55
January 20, 2021[(1)]	10,000	Common Shares	$3.55
January 19, 2021[(1)]	4,725	Common Shares	$1.60
January 18, 2021[(1)]	5,670	Common Shares	$1.60
January 15, 2021[(1)]	5,000	Common Shares	$3.55
January 14, 2021[(2)]	5,000	Common Shares	$1.28
January 13, 2021[(1)]	120,000	Common Shares	$2.72
January 13, 2021[(1)]	58,200	Common Shares	$3.55
January 12, 2021[(1)]	7,500	Common Shares	$1.60
January 11, 2021[(1)]	5,000	Common Shares	$1.60
January 11, 2021[(2)]	1,500	Common Shares	$2.52
January 11, 2021[(1)]	10,000	Common Shares	$3.55
January 8, 2021[(1)]	5,775	Common Shares	$1.60
January 8, 2021[(1)]	95,500	Common Shares	$3.55
January 7, 2021[(1)]	2,000	Common Shares	$1.60
January 7, 2021[(1)]	25,250	Common Shares	$3.55
January 6, 2021[(2)]	25,000	Common Shares	$0.67
January 5, 2021[(1)]	15,300	Common Shares	$1.60
January 5, 2021[(1)]	17,750	Common Shares	$3.55
January 4, 2021[(2)]	4,750	Common Shares	$2.52
January 4, 2021[(1)]	38,625	Common Shares	$1.60
January 4, 2021[(1)]	21,250	Common Shares	$3.55
December 31, 2020[(1)]	114,000	Common Shares	$1.60
December 30, 2020[(1)]	30,000	Common Shares	$2.72
December 30, 2020[(1)]	40,000	Common Shares	$1.60
December 30, 2020[(1)]	9,000	Common Shares	$3.55
December 29, 2020[(1)]	66,000	Common Shares	$3.55
December 24, 2020[(1)]	58,700	Common Shares	$3.55
December 23, 2020[(1)]	425,982	Common Shares	$1.60
December 23, 2020[(1)]	7,750	Common Shares	$3.55
December 22, 2020[(1)]	51,250	Common Shares	$1.60
December 22, 2020[(1)]	36,800	Common Shares	$3.55
December 21, 2020[(1)]	252,500	Common Shares	$1.60
December 21, 2020[(1)]	4,500	Common Shares	$3.55
December 18, 2020[(2)]	60,000	Common Shares	$1.37
December 17, 2020[(1)]	37,500	Common Shares	$1.60
December 17, 2020[(1)]	20,000	Common Shares	$3.55
December 16, 2020[(1)]	20,000	Common Shares	$1.60
December 15, 2020[(1)]	45,000	Common Shares	$1.60

December 15, 2020[(1)]	8,200	Common Shares	$3.55
December 10, 2020[(1)]	100,000	Common Shares	$1.60
December 10, 2020[(1)]	19,450	Common Shares	$3.55
December 9, 2020[(1)]	22,500	Common Shares	$1.60
December 8, 2020[(2)]	3,202	Common Shares	$1.57
December 8, 2020[(1)]	52,500	Common Shares	$1.60
December 4, 2020[(1)]	20,000	Common Shares	$1.60
December 4, 2020[(3)]	15,000	Options	$3.05
December 1, 2020[(1)]	7,500	Common Shares	$1.60
November 26, 2020[(2)]	25,000	Common Shares	$1.08
November 26, 2020[(2)]	5,000	Common Shares	$1.28
November 26, 2020[(2)]	13,750	Common Shares	$2.52
November 25, 2020[(1)]	2,887	Common Shares	$1.60
November 24, 2020[(2)]	2,000	Common Shares	$1.28
November 13, 2020[(1)]	43,500	Common Shares	$1.60
November 2, 2020[(2)]	25,000	Common Shares	$0.50
October 29, 2020[(5)]	79,242	Common Shares	$2.72
October 29, 2020[(4)]	5,282,900	Common Shares	$2.72
October 29, 2020[(5)]	422,632	Warrants	$2.72
October 29, 2020[(4)]	2,641,450	Warrants	$3.55
October 27, 2020[(2)]	5,250	Common Shares	$1.57
October 23, 2020[(1)]	80,000	Common Shares	$1.60
October 20, 2020[(1)]	20,000	Common Shares	$1.60
October 14, 2020[(1)]	74,375	Common Shares	$1.60
October 6, 2020[(1)]	50,000	Common Shares	$1.60
October 2, 2020[(1)]	50,000	Common Shares	$1.60
October 1, 2020[(1)]	10,000	Common Shares	$1.60
September 30, 2020[(1)]	5,250	Common Shares	$1.60
September 24, 2020[(2)]	3,000	Common Shares	$1.28
September 24, 2020[(1)]	20,000	Common Shares	$1.60
September 22, 2020[(1)]	14,271	Common Shares	$1.60
September 15, 2020[(1)]	3,166	Common Shares	$1.60
September 14, 2020[(2)]	15,000	Common Shares	$1.28
September 14, 2020[(2)]	7,850	Common Shares	$1.57
September 11, 2020[(1)]	25,000	Common Shares	$1.60
September 10, 2020[(1)]	12,500	Common Shares	$1.60
September 8, 2020[(3)]	50,000	Stock Options	$2.81
September 8, 2020[(2)]	5,000	Common Shares	$1.28
September 4, 2020[(1)]	355,160	Common Shares	$1.60
September 2, 2020[(1)]	12,500	Common Shares	$1.60
September 2, 2020[(2)]	50,000	Common Shares	$1.19
August 31, 2020[(1)]	17,500	Common Shares	$1.60
August 28, 2020[(1)]	9,234	Common Shares	$1.60
August 27, 2020[(1)]	5,000	Common Shares	$1.60
August 21, 2020[(1)]	25,000	Common Shares	$1.60
August 20, 2020[(1)]	10,000	Common Shares	$1.60
August 19, 2020[(1)]	5,000	Common Shares	$1.60
August 17, 2020[(1)]	50,000	Common Shares	$1.60
August 17, 2020[(2)]	10,000	Common Shares	$1.57

August 17, 2020[(1)]	8,393	Common Shares	\$1.60
August 14, 2020[(1)]	2,775	Common Shares	\$1.60
August 13, 2020[(1)]	10,000	Common Shares	\$1.60
August 12, 2020[(1)]	81,000	Common Shares	\$1.60
August 12, 2020[(2)]	15,000	Common Shares	\$1.28
August 12, 2020[(2)]	11,500	Common Shares	\$1.57
August 12, 2020[(1)]	17,000	Common Shares	\$1.60
August 11, 2020[(1)]	24,835	Common Shares	\$1.60
August 11, 2020[(2)]	80,000	Common Shares	\$0.25
August 11, 2020[(2)]	2,548	Common Shares	\$1.57
August 11, 2020[(1)]	20,000	Common Shares	\$1.60
August 6, 2020[(1)]	2,000	Common Shares	\$1.60
August 5, 2020[(1)]	4,000	Common Shares	\$1.60
August 4, 2020[(1)]	42,500	Common Shares	\$1.60
July 31, 2020[(1)]	2,000	Common Shares	\$1.60
July 30, 2020[(2)]	120,000	Common Shares	\$0.25
July 29, 2020[(2)]	50,000	Common Shares	\$0.70
July 29, 2020[(1)]	163,228	Common Shares	\$1.60
July 28, 2020[(1)]	44,660	Common Shares	\$1.60
July 27, 2020[(1)]	71,127	Common Shares	\$1.60
July 24, 2020[(1)]	13,501	Common Shares	\$1.60
July 23, 2020[(1)]	168,500	Common Shares	\$1.60
July 22, 2020[(2)]	150,000	Common Shares	\$1.15
July 22, 2020[(1)]	137,500	Common Shares	\$1.60
July 21, 2020[(1)]	54,000	Common Shares	\$1.60
July 20, 2020[(3)]	1,437,250	Stock Options	\$2.52
July 20, 2020[(2)]	25,000	Common Shares	\$0.74
July 16, 2020[(1)]	55,000	Common Shares	\$1.60
July 9, 2020[(1)]	100,000	Common Shares	\$1.60
July 8, 2020[(1)]	25,000	Common Shares	\$1.60
July 7, 2020[(2)]	20,000	Common Shares	\$1.28
July 7, 2020[(2)]	10,000	Common Shares	\$1.57
June 11, 2020[(2)]	25,000	Common Shares	\$0.25

Notes:

(1) Exercise of warrants.
(2) Exercise of stock options.
(3) Grant of stock options.
(4) Issued to subscribers in connection with short-form prospectus offering.
(5) Issued to Agents in connection with short-form prospectus offering.

TRADING PRICE AND VOLUME

The following table sets forth information relating to the trading of the Common Shares on the TSXV for the 12-month period before the date of this Prospectus[4]:

Month	High ($)	Low ($)	Close ($)	Volume
March 2020	1.36	0.75	0.93	4,085,028
April 2020	1.34	0.85	1.28	2,347,120
May 2020	1.50	1.21	1.32	2,325,504
June 2020	1.58	1.21	1.34	3,830,140
July 2020	3.46	1.35	2.96	25,121,266
August 2020	3.77	2.45	3.15	12,042,584
September 2020	3.35	2.51	2.82	8,839,522
October 2020	3.18	2.40	2.42	5,593,241
November 2020	3.45	2.47	3.19	8,727,974
December 2020	6.50	3.02	6.09	24,662,584
January 2021	6.34	4.60	5.50	15,442,062
February 2021	6.22	4.85	5.99	8,706,737
March 1-26 2021	6.20	5.22	5.40	7,659,124

RISK FACTORS

An investment in the Offered Shares offered hereby involves a high degree of risk, should be considered speculative and is only suitable for those investors who are willing to risk a loss of their entire investment. Before investing, prospective purchasers of Offered Shares should carefully consider, in light of their own financial circumstances, the factors set out below as well as the information contained in or incorporated by reference in this Prospectus, including those risk factors included in the AIF and management's discussion and analysis for the year ended December 31, 2020 which are incorporated herein by reference, and consult their own experts where necessary.

General

An investment in the Company is only suitable for investors capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which may result. A prospective investor should consider with care whether an investment in the Company is suitable for them in the light of his or her personal circumstances and the financial resources available to them.

An investment in the Company should not be regarded as short-term in nature. There can be no guarantee that any appreciation in the value of the Company's investments will occur or that the investment objectives of the Company will be achieved. Investors may not get back the full or any amount initially invested.

The prices of shares and the income derived from them can go down as well as up. Past performance is not necessarily a guide to the future.

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[4] Source: Stockwatch.

Changes in economic conditions including, for example, interest rates, rates of inflation, industry conditions, competition, political and diplomatic events and trends, tax laws and other factors can substantially and adversely affect equity investments and the Company's prospects.

Global Pandemic (COVID-19)

In March 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations or on the Company's industry partners who provide in-kind and/or financial contributions to the Company's government programs. There are travel restrictions and health and safety concerns that may delay the Company's research activities. Operations depend on safeguarding all personnel during the outbreak, which may be prohibitive in certain aspects. Nonetheless, the Company has implemented prevention measures at its office and laboratory facilities including the facilitation of remote work programs. Various Government wage and loan subsidies are available to qualified companies to assist them with operating costs during the pandemic, and the various programs are constantly being expanded and relaxed, which may qualify the Company for additional assistance. As at the date hereof, the Company had qualified for and received an additional $250,000 from SDTC (April 2020), and approximately $195,000 from the Innovative Assistance Program (under NRC-IRAP) (July to August 2020), both in relation to COVID-19 pandemic relief.

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Company or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "*Forward-Looking Information*". In addition, the market price for securities on stock markets, including the TSXV, is subject to significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often have been unrelated or disproportionate to changes in operating performance. These broad market fluctuations on the TSXV may adversely affect the market price of the Common Shares.

Use of Proceeds

The Company currently intends to allocate the net proceeds received from the Offering as described under "*Use of Proceeds*" in this Prospectus. However, subject to using the net proceeds as described therein, management of the Company will have discretion in the actual application of the net proceeds and the timing of their expenditure and may elect to allocate proceeds differently from that described in "*Use of Proceeds*" if it is believed it would be in the best interests of the Company to do so as circumstances change. The results and the effectiveness of the application of the proceeds are uncertain. The failure by management of the Company to apply these funds effectively could have a material adverse effect on the business of the Company.

Volatile Market Price of the Common Shares

Securities markets have a high level of price and volume volatility, and the market price of securities of many companies experience wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of the Company include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. As a result of any of these factors, the market price of the securities of the Company at any given point in time may not accurately reflect the long-term value of the Company.

Negative Cash Flow from Operations

The Company had negative operating cash flows for the fiscal year ended December 31, 2020. Although the Company anticipates it will have positive cash flows from operating activities in future periods, the Company cannot guarantee it will have a cash flow positive status in the future. To the extent that the Company has negative cash flows in any future period, certain of the proceeds from the Offering may be used to fund such negative cash flows from operating activities, see "*Use of Proceeds*".

Going Concern

The Company's Annual Financial Statements, incorporated by reference herein, have been prepared on a going concern basis which contemplates the realization of assets and the discharge of liabilities and commitments in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. The Company's ability to continue as a going concern on a long-term basis is primarily dependent upon continued government assistance programs, financial support and/or contributions from its industry partners, the ability to raise additional capital from equity markets, and the ability to generate future profitable operations. In the event the Company is at any point unable to continue as a going concern, this would have an adverse impact on the Company's business, financial condition and operating results.

Forward-Looking Statements May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this Prospectus under the heading "*Forward-Looking Information*".

Intellectual Property Protection

The Company cannot provide any assurance that any intellectual property applications will be approved. Even if they are approved, such patents, trademarks or other intellectual property registrations may be successfully challenged by others or invalidated. The success of the Company and its ability to compete are substantially dependent on its internally developed technologies and processes which the Company will need to protect through a combination of patent, copyright, trade secret and trademark law.

The trademark, copyright, and trade secret positions of the Company's business are uncertain and involve complex and evolving legal and factual questions. In addition, there can be no assurance that competitors will not seek to apply for and obtain trademarks and trade names that will prevent, limit or interfere with the Company's processes. There can be no assurance that the Company will have the financial resources to defend its patents, trademarks, and copyrights from infringement or claims of invalidity. Litigation may be necessary in the future to enforce the Company's intellectual property rights, to protect the Company's trade secrets, to determine the validity and scope of the proprietary rights of others, or to defend against claims of infringement. Any such litigation could result in substantial costs and diversion of resources and could have a material adverse effect on the Company's business, operating results, and financial condition. There can be no assurance that the Company's means of protecting its proprietary rights will be adequate or that competitors will not independently develop similar services or products. Any failure by the Company to adequately protect its intellectual property could have a material adverse effect on its business, operating results and financial condition.

The patent positions of emerging companies can be highly uncertain and involve complex legal and factual questions. Thus, there can be no assurance that any patent applications made by or on behalf of the Company will result in the issuance of patents, that the Company will develop additional proprietary products that are patentable, that any patents issued or licensed to the Company will provide the Company with any competitive advantages or will not be challenged by any third parties, that the patents of others will not impede the ability of the Company to do business or that third parties will not be able to circumvent the patents assigned or licensed to the Company. Furthermore, there can be no assurance that others will not independently develop similar products, duplicate any of the Company's products or, if patents are issued and licensed to the Company, design around the patented product developed for the benefit of the Company.

Since patent applications are maintained in secrecy for a period of time after filing, and since publication of discoveries in the scientific or patent literature often lags behind actual discoveries, the Company cannot be certain that the inventors of the patents were the first creators of inventions covered by pending applications, or that it was the first to file patent applications for such inventions. There can be no assurance that the Company's patents, if issued, would be valid or enforceable by a court or that a competitor's technology or product would be found to infringe such patents.

The Company is not currently aware of any claims asserted by third parties that the Company's intellectual property infringes on their intellectual property. However, in the future, a third party may assert a claim that the Company infringes on their intellectual property. If the Company is forced to defend against these claims, which may be with or without any merit or whether they are resolved in favour or against the Company, the Company may face costly litigation and diversion of management's attention and resources. As a result of such a dispute, the Company may have to develop costly non-infringement technology or enter into license agreements which may not be available at favourable terms.

Performance and Scalability

The Company's success depends on its ability to scale its internally developed technology while maintaining high product quality and reliability. If Nano One cannot maintain high product quality on a large scale, the Company will be adversely affected. Nano One may encounter difficulties in scaling up cathode materials that are typically required to prototype full size battery cells. Even if Nano One is successful in developing its technologies, Nano One does not know whether the Company will do so in time to satisfy the requirements of the electric vehicle industry or other industries. The Company's current facility hosts a pilot plant and laboratory with limited production capacity.

Any interruption in operations at the current facility could result in the inability to execute the business plan. A number of factors could cause interruptions, including, but not limited to, equipment malfunctions or failures, work stoppages or slow-downs, damage to or destruction of the facility, or regional power shortages. The success of the Company and its ability to compete are substantially dependent on its internally developed technologies.

Management of Growth

The Company could experience growth that could put a significant strain on each of the Company's managerial, operational and financial resources. The Company must implement and constantly improve its operational and financial systems and expand, train, and manage its employee base to manage growth. In addition, the Company expects that its operational and management systems will face increased strain as a result of the expansion of the Company's technologies. The Company might not be able to effectively manage the expansion of its operations and systems, and its procedures and controls might not be adequate to support its operations. In addition, management might not be able to make and execute decisions rapidly enough to exploit market opportunities for the expansion of the Company's technologies. If the Company is unable to manage its growth effectively, its business, results of operations, and financial condition will suffer. Failure to effectively manage growth could also result in difficulty in launching new processing technology or enhancing existing processing technology, declines in quality or end-user satisfaction, increases in costs or other operational difficulties, and any of these difficulties could have a material adverse effect on its business, prospects, financial condition, results of operations, and cash flows.

Competition

Despite efforts by the Company to protect its proprietary rights on which the Company's business is dependent, competitive products may be developed in the future. Competition could adversely affect the Company's ability to acquire market share.

Execution of Business Plan

The execution of the Company's business plan, including its business objectives and milestones described in this Prospectus, poses many challenges and is based on a number of assumptions. The Company may not be able to successfully execute its business plan or accomplish its business objectives and milestones. If the Company experiences significant cost overruns on its programs, or if its business plan is more costly than it anticipates, certain research and development activities may be delayed or eliminated, resulting in changes or delays to its commercialization plans, or the Company may be compelled to secure additional funding (which may or may not be available) to execute its business plan. The Company cannot predict with certainty its future revenues or results from its operations. If the assumptions on which its revenues or expenditures forecasts are based change, the benefits of the Company's business plan may change as well. In addition, the Company may consider expanding its business beyond what is currently contemplated in its business plan. Depending on the financing requirements of a potential acquisition or new product opportunity, the Company may be required to raise additional capital through the issuance of equity or debt. If the Company is unable to raise additional capital on acceptable terms, it may be unable to pursue a potential acquisition or new product opportunity.

Currently, the Company has no history of profitable operations or material revenue. As such, the Company is subject to many risks including under-capitalization, cash shortages, and limitations with respect to personnel, financial, and other resources.

Technology may not be effectively commercialized

The Company's technology is currently in the commercialization phase. There is a risk that the technology and the Company's products will not perform as expected in certain applications and therefore, the Company may encounter delays to commercialization or may run the risk that the technologies will never be successfully commercialized. This means that the Company may never receive revenues or return on its technology development.

Technical Risks

Technical risks are inherent in the development and commercialization process, in that an immature technology could present unexpected challenges that exceed the planned time or financial resources to overcome. There can be no guarantee that the Company will be able to overcome technical risks associated with the development of its technology.

Our technology may be unable to achieve broad market acceptance and, consequently, limit our ability to generate revenue and profits from new products.

Our ability to generate significant revenue and profits depends on the acceptance of our products by our customers and end users of the products, such as companies or individuals purchasing vehicles incorporating our technology. The market acceptance of any product depends on a number of factors, including but not limited to awareness of a product's availability and benefits, the price and cost-effectiveness of our products relative to competing products; general competition, and the effectiveness of marketing and distribution efforts. Any factors preventing or limiting the market acceptance of our technology could have a material adverse effect on our business, results of operations and financial condition.

Product liability lawsuits against us could cause us to incur substantial liabilities, and we may be subject to product recalls for product defects that are self-imposed or imposed by regulators.

In the event of a failure of a future product incorporating our technology, such as a recreational vehicle or truck, we may be subject to potential product liability lawsuits. Under certain circumstances, our customers may be required to recall or withdraw the products incorporating our technology. Even if a situation does not necessitate a recall or market withdrawal, product liability claims may be asserted against the Company. Even if a product liability claim is unsuccessful, the negative publicity surrounding any assertion that the products caused illness or physical harm could adversely affect the Company's reputation and brand equity.

Access to Proprietary Information

The Company generally controls access to and distribution of its technologies, documentation, and other proprietary information. Despite efforts by the Company to protect its proprietary rights from unauthorized use or disclosure, parties may attempt to disclose, obtain, or use its solutions or technologies. There can be no assurance that the steps the Company has taken or will be taking will prevent misappropriation of its solutions or technologies, particularly in foreign jurisdictions where laws or law enforcement practices may not protect proprietary rights as fully as in Canada or the United States.

Information Technology Interruptions or Breaches

The Company's business operations are managed through a variety of information technology systems. These systems govern all aspects of its operations. While the Company has implemented a number of measures to keep its technology systems fully operational and to mitigate the risks associated with a failure of its systems, the Company's systems are subject to damage or interruption from power outages, computer and telecommunications failures, computer viruses, cyber-attacks, security breaches, catastrophic events such as fires, floods, earthquakes, tornadoes, hurricanes, acts of war or terrorism, and usage errors by its employees. If the Company's information technology systems are damaged or cease to function properly, the Company may have to make a significant investment to fix or replace them and the Company may suffer loss of critical data and interruptions or delays in its operations in the interim. Any material interruption in its information technology systems could have a material adverse effect on the Company's business, prospects, financial condition, results of operations, and cash flows.

Environmental Regulation

The Company's business and operations are subject to environmental regulation in the areas in which it operates. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's business and operations. Additionally, applicable regulations may change, and additional government regulations may be enacted that could impact the Company. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action. If we are not able to maintain regulatory compliance, are slow or unable to adopt new requirements or policies, or effect changes to existing requirements, the Company may be adversely affected.

Commodity Price, Raw Materials

Industrial chemicals and raw materials including lithium ion phosphate used in Nano One's technologies are subject to market price fluctuations. Market price fluctuations could have a material adverse effect on Nano One's business plan execution. There can be no assurance that the price of the raw materials will not increase in the future.

Dependence on Management and Key Personnel

The Company depends largely upon the continued services of its executive Officers and other key employees. From time to time, there may be changes in the Company's executive management team resulting from the hiring or departure of executives, which could disrupt its business. If the Company is unable to attract and retain top talents, its ability to compete may be harmed. The Company's success is also highly dependent on its continuing ability to identify, hire, train, retain and motivate highly qualified personnel. Competition for highly skilled technical, research and development, management, sales, and other employees is high in the Company's industry, and the Company may not be successful in attracting and retaining such personnel. Failure to attract and retain qualified executive Officers and other key employees could have a material adverse effect on its business, prospects, financial condition, results of operations, and cash flows.

Economic Conditions

Current and future unfavourable economic conditions could negatively impact the Company's financial viability. Unfavourable economic conditions could also increase the Company's financing costs, decrease net income or increase net loss and limit access to capital markets. See "Global Pandemic (COVID-19)" above.

Additional Capital Requirements

The Company has incurred annual losses since inception and it plans on continuing to make significant expenditures to support its business growth and may require additional funds to respond to business challenges, including the need to expand sales and marketing activities, develop new processing technologies to enhance its existing technology, enhance its operating infrastructure, and acquire complementary businesses and technologies. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. If the Company raises additional funds through further issuances of equity or convertible debt securities, the Company's existing shareholders could suffer significant dilution, and any new equity securities the Company issues could have rights, preferences and privileges superior to those of holders of the Company's Common Shares. Any debt financing secured by the Company in the future could involve restrictive covenants relating to its capital raising activities and other financial and operational matters, which might make it more difficult for it to obtain additional capital and to pursue business opportunities.

The Company can provide no assurance that sufficient debt or equity financing will be available on reasonable terms or at all to support its business growth and to respond to business challenges and failure to obtain sufficient debt or equity financing when required could have a material adverse effect on its business, prospects, financial condition, results of operations, and cash flows.

Enforcement of judgments against foreign persons may not be possible

A director of the Company resides outside of Canada. Some or all of the assets of such person may be located outside of Canada. Therefore, it may not be possible for investors to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such person. Moreover, it may not be possible for investors to effect service of process within Canada upon such person.

Access to specialized equipment

The ability of the Company to compete and expand will be dependent on the Company having access, at a reasonable cost, to equipment, parts and components, which are at least technologically equivalent to those utilized by competitors and to the development and acquisition of new competitive technologies. Failure by the Company to do so could have a material adverse effect on the Company's business, financial condition, results of operations and cash flow.

International joint development agreements

Because we are a British Columbia corporation, and because we have joint development agreements with parties in Asian countries, there is a risk that the foreign governments will implement protective measures which make it more difficult to conduct business in these markets. There can be no assurance that the various government licenses, funding programs and approvals or amendments thereto that from time to time may be sought will be granted at all or with conditions satisfactory to the Company or, if granted, will not be cancelled or will be renewed upon expiry, or that income tax laws and government incentive programs relating to the Company's business, and the lithium ion battery industry generally, will not be changed in a manner which may adversely affect the Company. Futher there is a risk that certain joint development agreements, ultimately, may not result in any business arrangements.

NAMES AND INTEREST OF EXPERTS

Our Annual Financial Statements as at December 31, 2020 and 2019 incorporated by reference in this Prospectus have been audited by Davidson & Company LLP. Davidson & Company LLP have advised that they are independent of the Company in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia, Canada.

Certain legal matters relating to the Offering have been reviewed on behalf of the Company by Fasken Martineau DuMoulin LLP.

As at the date hereof, the partners and associates, as a group of each of Fasken Martineau DuMoulin LLP own less than 1% of the outstanding Common Shares.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS OR CORPORATIONS

Mr. Joseph Guy a director of the Company, resides outside of Canada and has appointed Nano One Materials Corp., 101B - 8575 Government Street, Burnaby, British Columbia V3N 4V1 as his agent for service of process in Canada.

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person who resides outside of Canada, even if the party has appointed an agent for service of process.

LEGAL MATTERS

To the best of Company's knowledge, there are no material legal proceedings by or against the Company or affecting any of its interests as of the date of this Prospectus, nor are we aware that any such proceedings are contemplated.

Furthermore, there are no: (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during its most recently completed fiscal year; (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision in the Company; or (c) settlement agreements the Company entered into before a court relating to securities legislation or with a securities regulatory authority during its most recently completed fiscal year.

CERTIFICATE OF THE COMPANY

This Prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia.

Dated this 29th day of March, 2021.

(signed) "*Dan Blondal*" Dan Blondal Chief Executive Officer	(signed) "*Dan Martino*" Dan Martino Chief Financial Officer

On Behalf of the Board of Directors

(signed) "*John Lando*" John Lando Director	(signed) "*Paul Matysek*" Paul Matysek Director

CERTIFICATE OF THE UNDERWRITERS

To the best of our knowledge, information and belief, this Prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by the securities legislation of each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia.

Dated this 29th day of March, 2021.

TD SECURITIES INC.

(signed) "*Edward J. McGurk*"
Edward J. McGurk
Managing Director

ROTH CANADA, ULC

(signed) "*Ted Roth*"
Ted Roth
Chief Executive Officer, Investment Banking - Toronto

EIGHT CAPITAL

(signed) "*Tony Loria*"
Tony Loria
Principal, Vice Chairman

GRAVITAS SECURITIES INC.

(signed) "*Blayne Creed*"
Blayne Creed
Chief Executive Officer