

## NanoXplore Inc.

### Notice of Annual Meeting of Shareholders And Management Proxy Circular

NanoXplore Inc. annual meeting of shareholders will be held on Thursday, December 7, 2023 at 10:00 a.m., at 1 Place Ville Marie, 40th Floor, Montréal, Québec H3B 4M4.

Shareholders may exercise their rights by attending the meeting or by completing a Form of Proxy.

**YOUR VOTE AS A SHAREHOLDER IS IMPORTANT**





## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**NOTICE is hereby given that the annual meeting of the shareholders of NanoXplore Inc.** (the “**Corporation**” or “**NanoXplore**”) will be held on Thursday, December 7, 2023 at 10:00 a.m. (Eastern Standard Time) (the “**Meeting**”), for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the year ended June 30, 2023, together with the report of the auditors thereon;
2. to elect the Directors of the Corporation for the ensuing year;
3. to reappoint the auditors of the Corporation for the ensuing year and to authorize the Directors to fix their remuneration; and
4. to transact such further and other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

The management proxy circular and a proxy form for the Meeting are enclosed herewith. Additional information relating to the matters to be put before the Meeting is set forth in the management proxy circular which accompanies this notice.

### IMPORTANT

**Holders of shares may exercise their rights by attending the Meeting or by completing a Proxy Form.** Those who are unable to attend the Meeting are urged to complete and sign the enclosed Proxy Form and return it to TSX Trust Company by mail at 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, or by fax to 1-416-595-9593 before 9:30 a.m. on Tuesday, December 5, 2023 or two (2) business days before the commencement of any adjournment of the Meeting. A person appointed as proxy need not be a shareholder of the Corporation.

**The Corporation urges shareholders to review the meeting materials before voting.**

DATED at Montréal, Québec, this 7<sup>th</sup> day of November 2023.

### BY ORDER OF THE BOARD OF DIRECTORS

*(s) Soroush Nazarpour*  
Soroush Nazarpour  
President and Chief Executive Officer



## Management Proxy Circular Annual Meeting of Shareholders

### REGISTERED SHAREHOLDERS

You will have received a form of proxy ("**Proxy Form**") from NanoXplore Inc.'s (the "**Corporation**") transfer agent, TSX Trust Company ("**TSX Trust**"). Complete, sign and mail your Proxy Form in the postage prepaid envelope provided or fax it to the number indicated on the form.

### NON-REGISTERED SHAREHOLDERS

Your shares are held in the name of an intermediary (a bank, trust corporation, securities broker, trustee or other). You will have received a request for voting instructions from such intermediary. Follow the instructions on your voting instruction form to vote by telephone or fax, or complete, sign and mail the voting instruction form in the postage prepaid envelope provided. **To vote in person at the meeting, see the box on page 3 of this management proxy circular (the "Management Proxy Circular").**

## PROXY VOTING

### Who is soliciting my proxy?

**Your proxy is being solicited by the management of the Corporation** in connection with the annual meeting of shareholders (the "**Meeting**") to be held on December 7, 2023 and at every adjournment thereof, and the associated costs will be borne by the Corporation. The solicitation of proxies will be primarily by mail, but may be by telephone or other personal contact by directors of the Corporation (the "**Directors**"), such Directors receiving no compensation for the solicitation of proxies. The Corporation shall, upon request, reimburse brokerage firms and other custodians for their reasonable expenses in forwarding proxies and related material to beneficial owners of shares of the Corporation.

### How do I vote?

If you are a registered shareholder, you may vote at the Meeting or you may sign the enclosed Proxy Form appointing the named persons or some other person you choose, who need not be a shareholder, to represent you as proxyholder and vote your common shares in the capital of the Corporation ("**Common Shares**") at the Meeting. If your Common Shares are held in the name of an intermediary, please see the box on page 3 hereof for voting instructions.

### What am I voting on?

Shareholders will be asked to vote on the following matters:

1. **the election of Directors to the Board of Directors of the Corporation for the ensuing year;**
2. **the appointment of the auditors of the Corporation for the ensuing year and on the authorization for the Directors to fix their remuneration; and**
3. **any such other business as may properly be brought before the Meeting or at any adjournment thereof.**

For further information, please refer to the heading "Agenda for Shareholders' Meeting".

Other than as specifically discussed under the heading "Agenda for Shareholders' Meeting", no Director or executive officer, past, present or nominated hereunder, or any associate or affiliate of such persons, or any person on behalf of whom this solicitation is made, has any interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

### What if I sign the Proxy Form enclosed with this Management Proxy Circular?

Signing the enclosed Proxy Form gives authority to Soroush Nazarpour, who is the President and Chief Executive Officer of the Corporation, Pedro Azevedo, who is the Chief Financial Officer of the Corporation, or another person you have appointed, to vote your Common Shares at the Meeting.

### Can I appoint someone other than these officers to vote my Common Shares?

**Yes. Write the name of this person, who need not be a shareholder, in the blank space provided in the Proxy Form.** It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your Common Shares.

### What do I do with my completed Proxy Form?

Return it to the Corporation's transfer agent, TSX Trust, by mail at 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1, by fax to 1-416-595-9593 or by email at: [tsxtis@tmx.com](mailto:tsxtis@tmx.com), **no later than 10:00 a.m. (Eastern Standard Time) on December 5, 2023.** This will ensure that your vote is recorded.

### If I change my mind, can I take back my proxy once I have given it?

Yes. If you change your mind and wish to revoke your proxy, prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney of the corporation duly authorized. This statement must be delivered at the above-mentioned registered office of TSX Trust, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, and upon either of such deposits the proxy is revoked.

### How will my Common Shares be voted if I give my proxy?

The Common Shares represented by your Proxy Form will be voted or withheld from voting in accordance with your instruction on the Proxy Form on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. If you have not specified how to vote on a particular matter, or if any amendments are proposed to any matter, or if other matters are properly brought before the Meeting, then, in each case, your proxyholder can vote your Common Shares as your proxyholder sees fit. Management knows of no such amendments or other matters to come before the Meeting other than the matters referred to in the notice of annual meeting ("**Notice**").

**If you properly complete and return your Proxy Form appointing representatives of management of the Corporation as your proxy but do not specify how you wish the votes to be cast, your Common Shares will be voted:**

- (a) **FOR the election of Directors nominated by management and the Board;**
- (b) **FOR the appointment of PricewaterhouseCoopers LLP as auditors for the ensuing year and the authorization of the Directors to fix their remuneration; and**
- (c) **on any other matter which may properly come before the Meeting.**

### How many Common Shares are entitled to vote?

As of October 27, 2023 (the "**Record Date**"), there were 169,378,431 Common Shares issued and outstanding, each of which entitling its holder to one vote at the Meeting. Only shareholders registered at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting.

### Who counts the votes?

The Corporation's transfer agent, TSX Trust, counts and tabulates the proxies. This is done independently of the Corporation. Proxies are referred to the Corporation only in cases where a shareholder clearly intends to communicate with management or when it is necessary to do so to meet the requirements of applicable law.

### If I need to contact the transfer agent, how do I reach them?

For general shareholder enquiries, you can contact the transfer agent:

**by mail:** TSX Trust Company  
100 Adelaide Street West, Suite 301  
Toronto, Ontario, M5H 4H1

or by telephone: 1-866-600-5869 (within North America) or 1-416-342-1091 (outside North America)

or by email: [tsxtis@tmx.com](mailto:tsxtis@tmx.com)

or by fax: 1-416-361-0470

**If my Common Shares are not registered in my name but are held in the name of an intermediary (a bank, trust corporation, securities broker, trustee or other), how do I vote my Common Shares?**

These beneficial owners of Common Shares (the “**Beneficial Owners**”) must be aware of the fact that only proxies filed by shareholders whose names appear in the Corporation’s book as registered holders of Common Shares may be recognized and may benefit from the right to vote at the Meeting. The voting rights attached to the Common Shares held by an intermediary may be exercised by the intermediary, on behalf of the Beneficial Owner, only according to the Beneficial Owner’s specific instructions, which must be obtained before the Meeting. Each intermediary has its own rules concerning the mailing and forwarding of voting instruction forms, notices of meeting, proxy circulars as well as all other documents sent to shareholders for a meeting. The intermediary is prohibited from exercising the voting rights attached to the Common Shares of its clients without specific voting instructions.

In accordance with the requirements of *Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Corporation has elected to send the notice of Meeting, this Management Proxy Circular and the Proxy Form directly to the non-objecting Beneficial Owners (the “**NOBOs**”). The intermediaries are responsible for forwarding these documents to each NOBO who has objected to his intermediary disclosing ownership information about himself (the “**OBO**”) unless that OBO has waived the right to receive them.

There are two ways you can vote your Common Shares held by your intermediary. As required by Canadian securities legislation, you will have received from your intermediary either a request for voting instructions or a form of proxy for the number of Common Shares you hold. For your Common Shares to be voted for you, please follow the voting instructions provided by your intermediary. Since the Corporation has limited access to the names of its Beneficial Owners, if you attend the Meeting, the Corporation may have no record of your shareholdings or your entitlement to vote unless your intermediary has appointed you as proxyholder. If you wish to vote in person at the meeting, insert your own name in the space provided on the request for voting instructions or form of proxy and return same by following the instructions provided. You can also write the name in the space provided thereof of someone else whom you wish to attend Meeting and vote on your behalf. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with the Transfer agent, TSX Trust, upon arrival at the meeting.

## PRINCIPAL HOLDERS OF VOTING SECURITIES

To the knowledge of the Directors and Named Executive Officers of the Corporation, as at the Record Date, the only person, firm or corporation who beneficially owns, or controls or directs, directly or indirectly, over voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation, is as follows:

Shareholder Name	Number of Common Shares	Percentage of Issued Common Shares
Martinrea International Inc.	38,466,360	22.7%

## AGENDA FOR SHAREHOLDERS' MEETING

### 1. FINANCIAL STATEMENTS

The consolidated financial statements of the Corporation for the years ended June 30, 2023 and 2022 and the report of the auditors of the Corporation thereon (the “**Financial Statements**”) will be placed before the Meeting. Receipt at the Meeting of the Financials Statements will not constitute approval or disapproval of any matters referred to therein.


The consolidated financial statements, the management’s discussion and analysis and the annual information form of the Corporation for the years ended June 30, 2023 and 2022 are available under the Corporation’s profile at [www.sedarplus.ca](http://www.sedarplus.ca).






### 2. ELECTION OF DIRECTORS

The board of Directors of the Corporation (the “**Board of Directors**” or the “**Board**”) currently consists of nine members. The articles of the Corporation currently provide for a minimum of three and a maximum of twelve Directors. It is contemplated that nine Directors will be elected at the Meeting.

The eight nominees named hereunder will be proposed for election as Directors of the Corporation. All proposed nominees have served continuously as Directors of the Corporation since their appointment or first election in such capacity. Management does not contemplate that any nominee will be unable or unwilling to serve as a Director. Each Director elected will hold office until the next annual meeting of shareholders or until a successor is duly elected or appointed, unless he/she ceases to hold office pursuant to the *Canada Business Corporations Act*, or his/her office is vacated earlier pursuant to the By-laws of the Corporation.

The following table sets forth certain information concerning the Directors of the Corporation seeking election, including their beneficial ownership of Common Shares of the Corporation as at the Record Date. Unless otherwise indicated, each nominee holds sole voting and investment power over his or her Common Shares.

Name and Municipality of Residence	Positions and Offices held within the Corporation	Director Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly	Attendance at Meetings	Independent Director
 <b>Rob Wildeboer<sup>(1)</sup></b> Burlington, Ontario, Canada	Vice-Chairman of the Board	2019	Vice-Chairman of the Board of the Corporation; Executive Chairman of Martinrea International Inc.	50,000 0.03%	Board: 11/12	No

Name and Municipality of Residence	Positions and Offices held within the Corporation	Director Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly	Attendance at Meetings	Independent Director
 <b>Benoît Gascon</b> <sup>(2)(3)(8)</sup> Montréal, Québec, Canada	Lead Director	2017	Lead Director of the Corporation	98,422 0.06%	Board: 12/12 Audit: 4/4 HRCC: 4/4	No <sup>(10)</sup>
 <b>Soroush Nazarpour</b> Montréal, Québec, Canada	Director, President and Chief Executive Officer	2017	President and Chief Executive Officer of the Corporation	11,073,585 6.69%	Board: 12/12	No
 <b>Cameron Harris</b> <sup>(4)(5)</sup> Ste-Agathe-des-Monts, Québec, Canada	Director	2017	Director of the Corporation; President of Canadian Engineering Associates Ltd.	725,253 0.43%	Board: 12/12 Audit: 4/4 HRCC: 4/4	Yes
 <b>Arinder S. Mahal</b> <sup>(4)(7)</sup> Toronto, Ontario, Canada	Director	2018	Director of the Corporation; Founder and CEO of Antera Inc., a technology focused merchant bank and advisory firm	--	Board: 12/12 Audit 4/4 CGNC: 6/6	Yes
 <b>Catherine Loubier</b> <sup>(9)(7)</sup> Moorpark, California United States	Director	November 2022	Director of the Corporation; Director and Management Consultant	74,200 0.04%	Board: 12/12 CGNC: 6/6 HRCC: 4/4	Yes

Name and Municipality of Residence	Positions and Offices held within the Corporation	Director Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly	Attendance at Meetings	Independent Director
 <p><b>Joseph G. Peter</b> <sup>(4)</sup> Bloomfield, Michigan, United States</p>	Director	April 2023	Director of the Corporation	--	Board: 3/12 <sup>(8)</sup> Audit: 1/4	Yes



**Jesse C.H. Stanley**  
Houston,  
Texas  
United States

Director	September 2023	Chief Operating Officer Trading - Shell Energy Americas	--	Board: n/a <sup>(9)</sup>	Yes
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**Notes:**

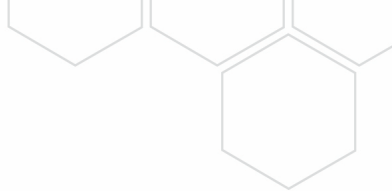
- (1) Mr. Wildeboer is the Executive Chairman of Martinrea International Inc., which holds 38,466,360 Common Shares of the Corporation.
- (2) Chair of the Audit Committee.
- (3) Chair of the Human Resources and Compensation Committee ("HRCC").
- (4) Member of the Audit Committee.
- (5) Member of HRCC.
- (6) Member of the CGNC.
- (7) Sole member of the Special Committee-VoltaXplore.
- (8) Mr. Peter was present to all meetings from his nomination.
- (9) Ms. Stanley's nomination on the board of Director occurred after year ended June 30, 2023.
- (10) The Corporation intent to appoint an independent director following the Meeting.

The total number of Common Shares beneficially owned, controlled or directed, directly or indirectly, by Directors of the Corporation as a group, to our knowledge, is 12,187,952 Common Shares or approximately 7.2% of the Common Shares issued and outstanding as at the Record Date.

All of the proposed nominees were elected to their present term of office by the shareholders of the Corporation at a meeting in respect of which the Corporation circulated to shareholders a management proxy circular, except for Joseph G. Peter and Jesse C. H. Stanley, who were appointed as Directors by the Board on the dates indicated above, and who are proposed as Directors of the Corporation. Jodie Morgan, who was elected at the last annual meeting of shareholders, resigned on April 5, 2023 to focus her efforts on other professional duties. Denis Labrecque, who was elected at the last annual meeting, decided not to seek re-election.

**Mr. Rob Wildeboer** is a co-founder and the Executive Chairman of Martinrea International Inc. (TSX: MRE), a diversified and global automotive supplier engaged in the design, development and manufacturing of highly engineered, value-added Lightweight Structures and Propulsion Systems. He is also Co-Chair of the Canadian Automotive Partnership Counsel (CAPC) and a present and past advisor to the Governments of Canada and Ontario on a variety of economic, trade, innovation, manufacturing, and automotive mandates. Mr. Wildeboer holds an undergraduate degree from the University of Guelph, a law degree from Osgoode Hall Law School, an MBA from York University and a LLM from Harvard University.





**Mr. Benoît Gascon** cumulates over 30 years of experience in the graphite and carbon industries. For more than 20 years, he held executive positions at Imerys Graphite & Carbon and is the former President and Chief Executive Officer of Mason Graphite Inc, a Canadian graphite mining and processing company. Mr. Gascon is a CPA, CA and holds a bachelor's degree in Business Administration from École des Hautes Études Commerciales (HEC). He is also a director of VoltaXplore Inc.

**Mr. Soroush Nazarpour** is the founder, President and CEO of the Corporation. He is an acknowledged expert in the field of graphene, and the co-author of “Graphene Technology from Laboratory to Fabrication” published by Wiley & Co. in 2016. Mr. Nazarpour holds a PhD in Nanotechnology from the University of Barcelona, Spain. He also acts as CEO and director of VoltaXplore Inc.

**Dr. Cameron Harris** is the President of Canadian Engineering Associates Ltd., an engineering consulting firm that provides services to the global mining industry. He is a former Senior Vice-President and General Manager at SNC-Lavalin, and former head of the Mining Industry Practice for North America at Accenture. He has held a wide range of operational, technical and executive positions at world leading companies such as Noranda, Kvaerner, and Worley Parsons. Dr. Harris has been a director for Cansolv Technology Inc. and has been previously involved in nano-materials production. Dr. Harris holds a PhD in Metallurgy from Imperial College (United Kingdom).

**Mr. Arinder S. Mahal** is the founder and CEO of Antera Inc., a technology focused merchant bank based in Toronto. He is also the founder and CEO of Synoptim Advisory Corp., a corporate and business advisory firm. Mr. Mahal is a former managing director and head of technology investment banking of Echelon Wealth Partners Inc. and Dundee Capital Markets (now Eight Capital). He has also held senior executive and board advisor positions at a number of technology companies in Canada and in the United States. Prior to that, he was a senior manager with Deloitte Consulting providing management consulting services in the areas of corporate strategy, mergers and acquisitions, and finance to Canadian and Global telecom and technology companies. Mr. Mahal holds a Bachelor of Engineering degree from the University of Victoria and an MBA from Schulich School of Business, York University. He is also a Chartered Financial Analyst (CFA).

**Ms. Catherine Loubier** is a senior advisor to the corporate world. In her recent role as Québec Delegate General in New York, from February 2019 to August 2021, she was instrumental in finalizing the largest ever renewable hydropower contract with New York State. She was previously deputy chief of staff to Québec's Premier from October 2018 to February 2019. From 2015, to 2018, she was a consultant in management. She has been senior adviser to the 22nd Prime Minister of Canada from 2013 to 2015. In the private sector, she advised business leaders in various industries, including Renault Nissan Mitsubishi Alliance President & CEO. She is a member of the Women's Forum New York and board member of the Canadian American Business Council and the Council for Canadian American Relations. She is also a member of Concordia University's Board of Governors. Ms. Loubier holds a Bachelor and a Master's degree from Université du Québec à Montréal, obtained in 1996 and a certificate from Harvard Business School, obtained in 2020.

**Mr. Joseph G. Peter** has spent more than 35 years working in the automotive industry, before retiring in 2018. He was previously the Chief Financial Officer (**CFO**) for Nissan Motor Corporation from 2009 to 2018. Prior to joining Nissan, he spent 25 years at General Motors Corporation and served in a number of executive roles including as CFO of General Motors North America and International Operations. He holds a Master in Business Administration in corporate finance from the Wayne State University.

**Ms. Jesse C.H. Stanley** has worked for Shell Energy North America, LLC as the Chief Operations Officer since 2021. Since 2019 she has held the positions of General Manager Commercial for Shales and the Vice President of Pipeline Operations for Shell Midstream Company. Ms. Stanley has over 15 years of experience at Shell International Petroleum Company (“Shell”). Ms. Stanley started her career with Shell in Europe, working in lubricants operations based in Shell's lubricants plants and refineries in the United Kingdom and France. Then, based in Shanghai, China, Ms. Stanley was responsible for the global sales & marketing of the Auto & Truck Sector of Shell Lubricants. She also was Corporate Strategy Advisor to Shell's Chief Strategy & Portfolio Officer, based in the Netherlands. Ms. Stanley holds a master's degree from the University of Cambridge and is a Master in Business Management from the Stanford University.

**Unless such authority is withheld, the persons named in the enclosed Proxy Form intend to vote at the Meeting FOR the election of these nominees. The proposal requires the approval of a majority of the votes cast by the holders of Common Shares present in person or represented by proxy at the Meeting.**

## CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

To the best of the Corporation's knowledge, after having made due inquiry, the Corporation confirms that no proposed Director of the Corporation:

- (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Corporation, that while that person was acting in that capacity:
  - (i) was subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - (ii) was subject to an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director or executive officer of any company, including the Corporation, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; and
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, nor has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed Director.

## 3. REAPPOINTMENT OF AUDITORS

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Management proposes PricewaterhouseCoopers LLP as auditors of the Corporation for the current financial year to hold office until the next annual meeting of shareholders of the Corporation and to authorize the Directors to fix their remuneration. PricewaterhouseCoopers LLP have been auditors of the Corporation since 2014.

**Unless instructions are given to abstain from voting with regard to the appointment of the auditors, the persons named in the enclosed Proxy Form intend to vote at the Meeting FOR the appointment of PricewaterhouseCoopers LLP, as auditors of the Corporation for the current financial year and authorize the Directors to fix their remuneration. The proposal requires the approval of a majority of the votes cast by the holders of Common Shares present in person or represented by proxy at the Meeting.**

## 4. OTHER MATTERS

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Management of the Corporation knows of no other matters to come before the Meeting other than those referred to in the Notice. Should any other matters properly come before the Meeting, the Common Shares represented by the Proxy Form solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

## 5. COMPENSATION OF DIRECTORS

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The following table sets forth, to the extent required by the applicable securities legislation, all amounts of compensation provided to the directors of the Corporation for the most recent completed year ended June 30, 2023:

Name <sup>(1)</sup>	Fees earned (\$)	Option-based awards (\$)	Total (\$)
Rob Wildeboer	57,000	–	<b>57,000</b>
Benoît Gascon <sup>(3)</sup>	142,000	–	<b>142,000</b>
Cameron Harris	70,000	–	<b>70,000</b>
Denis Labrecque	75,000	–	<b>75,000</b>
Arinder S. Mahal	70,000	–	<b>70,000</b>
Jodie Morgan <sup>(2)</sup>	45,000	–	<b>45,000</b>
Catherine Loubier	51,000	345,000	<b>396,000</b>
Joseph G. Peter	16,000	312,000	<b>328,000</b>

Notes:

<sup>(1)</sup> During year ended June 30, 2023, Mr. Soroush Nazarpour was also Chief Executive Officer of the Corporation and did not receive any director fees. His compensation is disclosed in the Summary Compensation Table and elsewhere in this Circular.

<sup>(2)</sup> The mandate of Ms. Jodie Morgan ended on April 5<sup>th</sup>, 2023.

<sup>(3)</sup> In addition to the fees earned for NanoXplore, Benoît Gascon also earned \$90,000 as sole-member of the Special Committee - VoltaXplore Inc. The mandate of the Special Committee is annexed to this Management Proxy Circular as Schedule "A".

## RETAINER AND ATTENDANCE FEES

During the year ended June 30, 2023, non-employee directors of the Corporation were paid an annual retainer of \$40,000 and a per-meeting fee of \$2,000 for each meeting of the Board attended in person or \$1,000 for each meeting attended via telephone conference. For this same year, the Lead Director, acting as Chairman, was paid an annual retainer of \$75,000. The Chair of the Audit Committee was paid an annual retainer of \$20,000 and \$10,000 was paid as an annual retainer to each non-employee director serving as chair on another committee of the Board. All other members of a Committee of the Board were paid a per-meeting fee of \$2,000 for each meeting of such Committee attended in person or \$1,000 for each meeting attended via telephone conference. Starting April 1<sup>st</sup>, 2023, M. Benoît Gascon received fees of \$30,000 per month as sole-member of the Special Committee - VoltaXplore Inc.

During the year ended June 30, 2022, the Human Resources and Compensation Committee ("**HRCC**"), in consultation with management, retained the services of Meridian Compensation Partners ("**Meridian**") to assess the overall compensation of the Directors and Named Executive Officers of the Corporation. The main objective of such mandate was to benchmark Directors and Management's compensation with the compensation of companies ("**Peers**") of similar size, in industries related to the Corporation. Please refer to the Executive Compensation section below for additional information.

The assessment concluded that the actual Directors' Fees were the lowest among the Peers and below median and provided the Corporation with recommendations to position the fees around the median level. In more details, cash retainer paid for the board members and members of the different board committees were more than 22% below market median. The annual retainer fees for the Chair of the board committees were also below market median, ranging from 47% to 59% of median.

To ensure external market competitiveness and equity and to fairly recognize the responsibility undertaken by the chairs and the committee chairs, the Directors' Fees structure was adjusted for the year ending June 30, 2023.

## DIRECTOR OUTSTANDING OPTION-BASED AWARDS AND – VALUE VESTED OR EARNED DURING THE YEAR

The following table summarizes all outstanding director option-based and share-based awards as at June 30, 2023.

Name <sup>(1)</sup>	Option-based Awards				
	Number of securities underlying exercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Option-based awards – Value vested during the year (\$) <sup>(3)</sup>
Rob Wildeboer	100,000	1.41	2024-01-29	<b>183,000</b>	–
Benoit Gascon	100,000	1.41	2024-01-29	<b>183,000</b>	–
Cameron Harris	–	–	–	–	–
Denis Labrecque	100,000	1.41	2024-01-29	<b>183,000</b>	–
Arinder S. Mahal	100,000	1.41	2024-01-29	<b>183,000</b>	–
Catherine Loubier	100,000	3.45	2027-11-14	–	–
Joseph G. Peter	100,000	3.12	2028-04-04	<b>12,000</b>	–

Notes:

- <sup>(1)</sup> During year ended June 30, 2023, Mr. Soroush Nazarpour was Chief Executive Officer of the Corporation and did not receive any director fees. His compensation is disclosed in the Summary Compensation Table and elsewhere in this Circular.
- <sup>(2)</sup> The monetary value was calculated using the difference between the trading price of NanoXplore's common shares on the Toronto Stock Exchange ("TSX") on June 30, 2023, namely \$3.24, and the option exercise price.
- <sup>(3)</sup> The value earned during the year is determined according to the closing price on the TSX on the day the options became exercisable, minus the amount to be paid by the Director for exercising the options.

## 6. EXECUTIVE COMPENSATION

### COMPENSATION DISCUSSION AND ANALYSIS

The information contained under this heading describes the compensation received by the Named Executive Officers of the Corporation for the year ended June 30, 2023.

#### **General Principles of Executive Compensation**

The Corporation aims to develop compensation policies that will both align the interests of its personnel with those of shareholders and allow the Corporation to attract and retain the best people in an increasingly competitive marketplace. To do so, the Corporation recognizes that its compensation program must be flexible and able to adapt to as quickly as the sector in which the Corporation evolves.

#### **Components of the Corporation's Compensation Program**

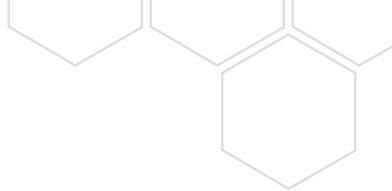
NanoXplore's compensation program consists of the following elements:

- base salary;
- short term incentive compensation comprised of objectives based and discretionary cash bonuses; and
- long-term incentive compensation and stock options.

#### **Base salary**

The base salary is intended to provide a fixed level of competitive pay that is established at the time when an officer, employee or consultant joins NanoXplore. NanoXplore's Board and/or HRCC periodically reviews compensation levels to determine if adjustments are necessary.

#### **Short term incentive compensation comprised of objectives based and discretionary cash bonuses**



Discretionary cash bonuses may form a part of the overall compensation program for certain employees and service providers. They are not linked with share price performance. Eligibility and the award of cash bonuses will be dependent on the achievement of:

- (a) corporate performance thresholds; and
- (b) predetermined individual performance thresholds as well as the recommendation of the HRCC and the approval of the Board of Directors.

#### *Long-term incentive programs*

To further align the interests of management with those of the Corporation's shareholders, stock options are granted to admissible persons under the Stock Option Plan, which is further described below under the heading "Stock Option Plan". Pursuant to the Stock Option Plan, optionees may acquire Common Shares at the fair market value on the date of the grant. The timing and number of options granted are determined by the Board. Options are granted from time to time and expire up to ten years from the date of the grant. The number and terms of outstanding options are taken into account when determining whether and how many new option grants will be made.

When determining individual option grants, the Board takes into consideration the job level of optionees and the level of contribution these individuals make to the Corporation's financial performance.

In addition to the granting of stock options to key employees and service providers, NanoXplore may also consider other long-term incentive programs to align interests and retain key personnel.

In order to reward employees with job levels of manager and above for their contributions to the business during a financial year, the Corporation adopted an annual bonus plan. Each participant's annual bonus award is computed as a percentage of base salary received as at year-end (June 30), with some exceptions. The application of both financial and individual performance measures are used in determining bonus awards. Payment of any bonus does not constitute part of a participant's normal remuneration and the Chief Executive Officer and Board of Directors reserve the right to terminate, withhold or amend the Plan at any time.

## COMPENSATION GOVERNANCE

The HRCC has the responsibility to establish a compensation policy for the executive officers that is consistent with the Corporation's business plan, strategies and objectives. The HRCC is responsible for monitoring and reviewing compensation programs for senior executives and making recommendations to the Board. Each of the members of the HRCC has experience on boards of other reporting issuers dealing with matters relating to executive compensation.

The HRCC's responsibilities, powers and operations are described in the HRCC's Charter, a copy of which is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca).

As at November 7, 2023, the HRCC was made up of the following three independent directors: Cameron Harris, Catherine Loubier and Benoît Gascon, with the latter being the chair of the Committee. All members of the HRCC are independent members under the applicable securities legislation. They all possess experience in the area of executive compensation, either as former Chief Executive Officers of publicly traded companies or as executives.

The Board believes that the members of the HRCC possess the combined knowledge, experience and backgrounds necessary to fulfill the Committee's mandate.

On an annual basis, the HRCC evaluates the adequacy of compensation of the Directors and executive officers. After review and analysis, the HRCC recommends the compensation of the Directors and executive officers to the Board for approval.

The HRCC uses discretion and judgment when determining compensation levels as they apply to a specific executive officer. Individual compensation may be based on individual experience and performance or other criteria deemed important by the HRCC. In order to meet NanoXplore's objectives, the HRCC is guided by:

- aligning employee compensation with corporate objectives;
- attracting and retaining highly qualified individuals in key positions; and
- providing executives with an equity-based incentive plan.

Given the size of the Corporation and its relatively simple process to determine the compensation, neither the HRCC nor the Board have considered the implications of the risks associated with the Corporation's compensation policies and practices applicable to all employees. Such risks, however, are mitigated by the Board's active involvement at the strategic level of the Corporation's businesses.

The Corporation's policy on transactions on the securities of the Corporation prohibits Named Executive Officers and directors to purchase derivative financial instruments such as forward contracts or equity swap or other financial instruments designed to hedge or offset a decrease in market value of our Common Shares.

## PENSION PLAN BENEFITS

The Corporation does not offer any pension plan benefits to any of its Directors or Named Executive Officers.

## EXTERNAL INDEPENDENT CONSULTANT

As indicated above, in the section Compensation of the Directors, during the year ended June 30, 2022, the HRCC, in consultation with management, retained the services of Meridian to assess the overall compensation of the Directors and Named Executive Officers of the Corporation. The main objective of such mandate was to benchmark Directors and Management's compensation with the compensation of Peers so that the Corporation remains competitive in terms of compensation and attracts and retains its people.

The Peers are comprised of the following 12 companies which were recommended by Meridian:

- 5N Plus Inc.
- EcoSynthetix Inc.
- Good natured Products Inc.
- Neo Performance Materials Inc.
- Advanced Emissions Solutions, Inc.
- Chase Corporation
- Core Molding Technologies, Inc.
- Flotek Industries, Inc.
- Hawkins, Inc.
- Marrone Bio Innovations, Inc.
- Northern Technologies International Corporation
- The Eastern Company

For the Named Executive Officers, the benchmarking confirmed that the total direct compensation for the Chief Operating Officer and Chief Financial Officer were competitive relative to market while it is below a competitive range of market for the Chief Executive Officer. The target total direct compensation for the Chief Executive Officer was below a competitive range of market, at 73% of median.

Meridian's recommendations were taken into consideration when the HRCC reviewed and recommended the compensation of the executive officers for the year ending June 30, 2023 and total compensation of the Named Executive Officers were adjusted accordingly.

### Executive Compensation-Related Fees

The aggregate fees billed by Meridian for services related to determining compensation for the Corporation's director and executive officers were \$42,000 during the year ended June 30, 2022.

No executive compensation-related services were provided nor billed by a compensation consultant or advisor during the most recently completed financial year.

### All Other Fees

No other services were provided nor billed by a compensation consultant or advisor during the two most recently completed financial years.

## NAMED EXECUTIVE OFFICER COMPENSATION

The following table sets forth information required by applicable securities legislation concerning all compensation paid, made payable, awarded, granted, gave or otherwise provided for three most recent completed financial years to all persons acting as Named Executive Officers (as defined herein) during the year ended June 30, 2023 for services

provided to the Corporation and its subsidiaries. The Named Executive Officers of the Corporation are the President and Chief Executive Officer and Chief Financial Officer and the Corporation's three most highly compensated executive officers other than the President and Chief Executive Officer and Chief Financial Officer (the "Named Executive Officers").

Table of Compensation excluding Compensation Securities									
Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation <sup>(1)</sup> (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
<b>Soroush Nazarpour</b> Chief Executive Officer, President and Director <sup>(2)</sup>	2023	652,000	–	–	456,399	–	–	28,800	1,137,199
	2022	408,446	–	–	204,223	–	–	–	612,669
	2021	396,550	–	–	297,412	–	–	–	693,962
<b>Pedro Azevedo</b> <sup>(3)</sup> Chief Financial Officer	2023	290,769	–	1,104,000	220,550	–	–	26,585	1,641,904
	2022	–	–	–	–	–	–	–	–
	2021	–	–	–	–	–	–	–	–
<b>Rocco Marinaccio</b> Chief Operating Officer	2023	440,000	–	–	307,999	–	–	28,800	776,799
	2022	371,915	–	–	185,658	–	–	–	557,573
	2021	360,500	–	–	270,375	–	–	–	630,875
<b>Luc Veilleux</b> <sup>(5)</sup> Former Chief Financial Officer	2023	–	–	–	–	–	–	–	–
	2022	318,720	–	–	159,369	–	–	–	478,089
	2021	309,000	–	–	270,375	–	–	–	579,375

Notes:

- (1) The Corporation does not offer any pension plan or defined benefit or contribution plans in favour of its Named Executive Officers, but does offer a monthly allowance for a RRSP contribution and a car allowance for a total of \$2,400.
- (2) Mr. Soroush Nazarpour also acts as Director and does not receive any additional compensation for services rendered in his capacity as Director.
- (3) Mr. Pedro Azevedo became the Corporation's Chief Financial Officer on July 18, 2022.
- (4) Mr. Luc Veilleux acted as Chief Financial Officer until his replacement by Mr. Azevedo on July 18, 2022.

## STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

The following table summarizes all outstanding Named Executive Officers option-based and share-based awards as at June 30, 2023.

Name	Option-based Awards			
	Number of securities underlying exercised options (#)	Option exercise price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)
Soroush Nazarpour	–	–	–	–
Pedro Azevedo	300,000	3.68	2027-08-04	–
Rocco Marinaccio	1,000,000	1.41	2024-01-29	1,830,000

Note:

- (1) The monetary value was calculated using the difference between the trading price of NanoXplore's common shares on the TSX on June 30, 2023, namely \$3.24, and the option exercise price.

## STOCK OPTION PLAN

On October 12, 2018, the Board of Directors established the Stock Option Plan pursuant to which options may be granted in favour of Directors, officers, employees and consultants providing ongoing services to the Corporation, up

to a maximum of 8,000,000 Common Shares.

The exercise price, terms and conditions of the options are established by the Board of Directors, subject to the rules of the regulatory authorities having jurisdiction over the securities of the Corporation. The exercise price at the time of the grant of the options shall not be less than the closing market price of the Common Shares on the day prior to their grant. The options granted may be exercised during a period not exceeding ten years. The options are non-transferable. For any option granted under the Stock Option Plan, the Board of Directors may determine whether such option shall vest immediately or be subject to such vesting schedule as the Board of Directors may deem appropriate in the circumstances. Notwithstanding the foregoing, options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than ¼ of the options vesting in any three-month period.

The number of Common Shares reserved for issuance to any individual Director or officer will not exceed 5% of the issued and outstanding Common Shares, and the number of Common Shares reserved for issuance to all consultants and persons employed in investor relations activities on behalf of the Corporation will not exceed 2% of the issued and outstanding Common Shares.

Except if the Corporation obtained the approval of disinterested shareholders, the aggregate number of shares which may be issued to insiders (as a group) at any time, and the number of shares which may be issued to insiders to within a 12-month period, calculated on the date an option is granted, may not exceed 10% of the issued Common Shares of the Corporation.

In the event of the termination of an employee, the options granted to such employee may be exercised in whole or in part, during a period commencing on the date of such termination and ending 90 days thereafter or on the expiry date of such employee's options, whichever comes first.

In the event of the termination of a consultant performing investor relations activities, the options granted to such consultant may be exercised in whole or in part by the consultant, during a period commencing on the date of such termination and ending within 30 days thereafter or on the expiry date of such consultant's options, whichever comes first.

If an optionee's employment with or engagement by the Corporation or appointment to the Board of Directors is terminated for cause, each of the optionee's unexercised options shall immediately terminate and the optionee will not receive any payment for such termination.

In the event of the death of the optionee, the options granted to such optionee may be exercised in whole or in part by the legal personal representative of the optionee, during a period commencing on the date of death and ending 12 months later or on the expiry date of such optionee's options, whichever comes first.

Amendments to the Stock Option Plan are subject to the provisions of the TSX Company Manual. Without limiting the foregoing, the Board may not make certain amendments to the Stock Option Plan, including the following, without the requisite approval from the TSX and the shareholders:

- (a) any amendment to the number of shares issuable under the Stock Option Plan, including an increase in the fixed maximum number of shares or a change from a fixed maximum number of shares to a fixed maximum percentage;
- (b) a reduction in the option price (other than for standard anti-dilution purposes) held by or benefiting any participant;
- (c) an increase in the maximum number of shares that may be issued to insiders within any one year period or that are issuable to insiders at any time;
- (d) an extension of the term of an option held by or benefiting any participant;
- (e) any change to the definition of "Participant" included in the Stock Option Plan which would have the potential of broadening or increasing insider participation;
- (f) any amendment to the amendment provisions of the Stock Option Plan; and
- (g) any other amendments that may provide additional benefits to the participants of the Stock Option Plan, especially insiders, at the expense of the Corporation and its existing shareholders.



In the event of a subdivision or consolidation of the Common Shares of the Corporation, a corresponding adjustment shall be made changing the number of shares deliverable upon the exercise of any option theretofore granted without change in the total price applicable to the unexercised portion of the option, but with a corresponding adjustment in the price for each share covered by the option. In the event that the Corporation is reorganized or merged or consolidated or amalgamated with another Corporation, appropriate provisions shall be made for the continuance of the options outstanding under the Stock Option Plan and to prevent their dilution or enlargement.

Under the Stock Option Plan, in the event that the term of an option expires during such period of time during which insiders are prohibited from trading in shares as provided by the Corporation's insider trading policy, as it may be implemented and amended from time to time (a "Blackout Period") or within 9 business days thereafter, the option shall expire on the date that is 10 business days following the Blackout Period.

### Equity Compensation Plan Information

The following table sets forth, as at June 30, 2023, the Stock Option Plan under which equity securities of the Corporation were authorized for issuance as well as outstanding Options:

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Options	Weighted Average Exercise Price of Outstanding Options	Number of Common Shares Remaining Available for Future Issuance Under the Equity Compensation Plans
Equity Compensation Plans of the Corporation approved by the shareholders	3,175,000	\$2.51	2,456,767
Equity Compensation Plans of the Corporation not approved by the shareholders	–	–	–
<b>Total:</b>	<b>3,175,000</b>	<b>\$2.51</b>	<b>2,456,767</b>

Note:

<sup>(1)</sup> As at June 30, 2023, a maximum number of 8,000,000 Common Shares could be issued under the Stock Option Plan, of which 3,175,000 were reserved for outstanding options and of which 2,456,767 remained available for future grants of options.

### Burn rate of the awards granted under the Stock option Plan

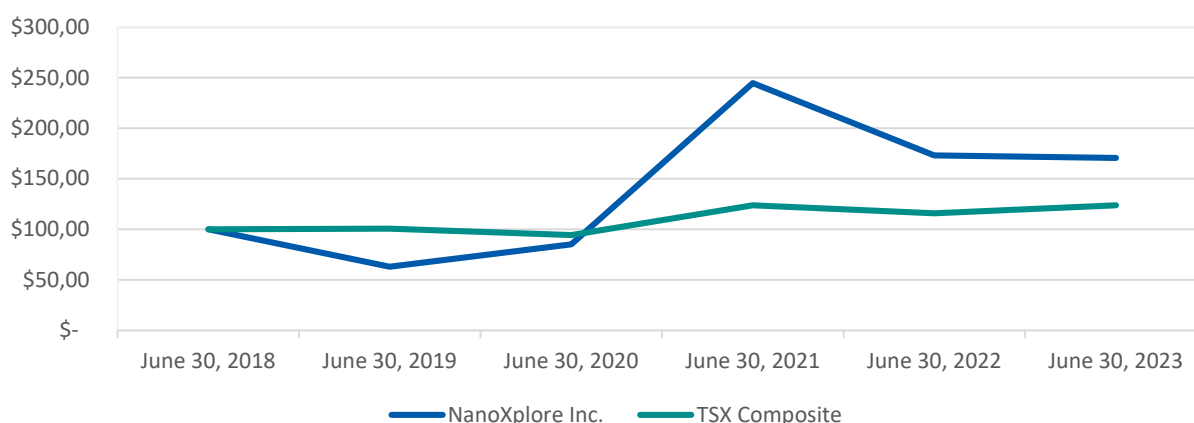
In accordance with the requirements of section 613 of the TSX Company Manual, the following table sets out the burn rate of awards granted under the Stock option Plan as at the year ended June 30, 2023 and for the two preceding financial years. The burn rate is calculated by dividing the number of awards granted under the Stock Option Plan during the relevant financial year by the weighted average number of securities outstanding for the applicable financial year.

	Year ended June 30, 2023	Year ended June 30, 2022	Year ended June 30, 2021
Annual Burn Rate of the Stock Option Plan	0.5%	0.2%	0.5%

## PERFORMANCE GRAPH

The following graph compares the cumulative return for a shareholder, assuming an investment of \$100 was made in the Common Shares on June 30, 2018, with the total cumulative return of the Toronto Stock Exchange's S&P/TSX Composite Index for the same period.

### NanoXplore 5-year Performance



	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
<b>NanoXplore Inc.</b>	\$100.00	\$63.16	\$85.26	\$244.74	\$173.16	\$170.53
<b>TSX Composite</b>	\$100.00	\$100.64	\$94.54	\$123.92	\$115.87	\$123.82

The trend shown by the above graph is a positive total cumulative return for a shareholder over the past five years. Although there is no direct correlation between the trend of the Corporation's stock performance evidenced by the above graph and the Corporation's compensation to executive officers over the period of reference, the overall trend shown above is generally in line with the Corporation's compensation of executive officer which has evolved positively to reflect the achievement of important projects to the Corporation and the Corporation's financial and operational performance.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

### Summary of Material Terms

The Corporation has concluded employment agreements with Named Executive Officers to provide a consistent and comprehensive framework of employment for each executive officer. These agreements cover the job description, obligations, aggregate compensation, as well as the clauses concerning termination of employment for cause, without cause, and in the event of a change of control. The following describes the respective consulting and employment agreements entered into by the Corporation and its Named Executive Officers as of the date hereof.

Name and Position	Yearly salary	Severance on Termination	Change of Control Bonus	Severance on Change of Control
Soroush Nazarpour President & CEO	\$678,080	12 months' salary	–	24 months base salary plus aggregate cash bonuses paid in the 24 months prior to the Change in Control.
Pedro Azevedo Chief Financial Officer	\$400,000	12 months' salary	–	24 months base salary plus aggregate cash bonuses paid in the 24 months prior to the Change in Control.

Name and Position	Yearly salary	Severance on Termination	Change of Control Bonus	Severance on Change of Control
Rocco Marinaccio Chief Operating Officer	\$457,600	18 months' salary	–	24 months base salary plus aggregate cash bonuses paid in the 24 months prior to the Change in Control.

#### Estimated Incremental Payments as at June 30, 2023

Name	Termination without Cause Lump Sum	Change of Control Lump Sum
Soroush Nazarpour	\$678,080	\$2,016,782
Pedro Azevedo	\$400,000	\$1,020,500
Rocco Marinaccio	\$686,400	\$1,408,857
<b>Total</b>	<b>\$1,764,480</b>	<b>\$4,446,139</b>

#### INDEBTEDNESS TO THE CORPORATION OF DIRECTORS AND EXECUTIVE OFFICERS

As at November 7, 2023, there is no indebtedness outstanding with any Directors, executive officers, employees or former directors, executive officers or employees of the Corporation or its subsidiaries which is owing to the Corporation or a subsidiary of the Corporation, or to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries, in connection with a purchase of securities or for any other matter.

During the year ended June 30, 2023, none of the Directors or executive officers of the Corporation, proposed nominees for election as a Director, or any associate of the foregoing, was indebted to the Corporation or any subsidiary of the Corporation.

#### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Corporation, no informed person of the Corporation, proposed Directors of the Corporation, or any associate or affiliate of said officials has had any material interest, direct or indirect, in a transaction having been concluded since the beginning of the most recently completed financial year or in any proposed transaction which has or would affect in a material manner the Corporation or one of its subsidiaries.

#### MANAGEMENT CONTRACTS

The management functions of the Corporation are not performed to any substantial degree by any person or company other than the Directors and executive officers of the Corporation.

## 7. AUDIT COMMITTEE INFORMATION

#### AUDIT COMMITTEE CHARTER

The Audit Committee has a formal charter, the text of which is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of *Regulation 52-110 respecting Audit Committees* ("**Regulation 52-110**") of the Canadian Securities Administrators and other applicable policies.

## ROLE AND COMPOSITION OF AUDIT COMMITTEE

The Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to the following: (i) in its oversight of NanoXplore's accounting and financial reporting principles and policies and internal audit controls and procedures; (ii) in its oversight of the integrity and transparency of NanoXplore's financial statements and the independent audit thereof; (iii) in selecting, evaluating and, where deemed appropriate, replacing the external auditors; (iv) in evaluating the independence of the external auditors; (v) in its oversight of NanoXplore's risk identification, assessment and management program; and (vi) in NanoXplore's compliance with legal and regulatory requirements in respect of the above. The Audit Committee is also responsible for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, in accordance with the Corporation's Whistle Blowing Policy.

The Audit Committee is currently comprised of Benoît Gascon (Chair) and three independent members Cameron Harris, Joseph G. Peter and Arinder S. Mahal. All members of the Audit Committee are financially literate. Please refer to the section titled "Agenda for Shareholders' Meeting – Election of Directors" for the relevant education and experience of each of the members of the Audit Committee.

The Audit Committee meets generally on a quarterly basis. The Audit Committee held four meetings in the year ended June 30, 2023.

## RELIANCE ON CERTAIN EXEMPTIONS

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on exemptions in Section 2.4 of Regulation 52-110 (*De Minimis Non-Audit Services*) or any exemption, in whole or in part, provided by Parts 3 and 8 of Regulation 52-110.

## AUDIT COMMITTEE OVERSIGHT

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the Board of Directors.

## PRE-APPROVAL POLICIES AND PROCEDURES

The Audit Committee approves the engagement terms for all audit and non-audit services to be provided by the Corporation's auditors before such services are provided to the Corporation or any of its subsidiaries.

## EXTERNAL AUDITOR SERVICE FEES

The fees charged to the Corporation by its external auditor in each of the last two financial years are as follows:

	2023 \$	2022 \$
Audit Fees <sup>(1)</sup>	519,485	587,812
Audit-Related Fees	—	—
Tax Fees <sup>(2)</sup>	90,561	69,994
Other	—	—
<b>Total</b>	<b>610,046</b>	<b>657,806</b>

Notes:

<sup>(1)</sup> Includes billing (or estimate) related to the work done on the audit for the years ended June 30, 2023 and 2022.

<sup>(2)</sup> Such amounts relate to tax compliance services.

## 8. CORPORATE GOVERNANCE PRACTICES

The Board of Directors of the Corporation considers good corporate governance to be important to the effective operations of the Corporation and to ensure that the Corporation is managed to enhance shareholder value. The Board of Directors is responsible for ensuring that the Corporation addresses all relevant corporate governance issues in compliance with the corporate governance guidelines set forth in Policy Statement 58-201 - *Corporate Governance Guidelines* of the Canadian Securities Administrators. A description of the Corporation's corporate governance practices is set out below, as required under *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* and in the form set forth in Form 58-101F1.

### BOARD OF DIRECTORS

The Board is currently composed of nine members, more than a majority of which are Independent. Each of the following members is independent as defined in Regulation 52-110. The following members of NanoXplore's Board of Directors meets the independence requirements set out under Regulation 52-110: Cameron Harris, Denis Labrecque, Joseph G. Peter, Jesse C.H. Stanley, Catherine Loubier and Arinder S. Mahal.

Soroush Nazarpour is not independent, as he acts as President and Chief Executive Officer of the Corporation. Rob Wildeboer (vice chairman of the Board) is not independent, as he is considered to have a material relationship with the Corporation due to his position as Executive Chairman of Martinrea International Inc., an entity which holds 38,466,360 (22.7%) Common Shares of the Corporation. Benoît Gascon is not independent due to his involvement in VoltaXplore's initiative.

The following Directors of the Corporation are also directors of other reporting issuers, as follows:

Director	Reporting Issuers
Rob Wildeboer	Martinrea International Inc. (TSX)
Arinder S. Mahal	Antera Ventures II Corp. (TSXV)

The independent Directors do hold in-camera sessions exclusive of non-independent Directors and members of management at every meeting of the Board of Directors, which process facilitates open and candid discussion amongst the independent Directors. Twelve such meetings were held by the independent directors during the Corporation's most recently completed financial year. The attendance record of each Director for all Board meetings held since the beginning of the Corporation's most recently completed financial year is indicated in the section titled "Agenda for Shareholders' Meeting – Election of Directors".

To assist in fostering proper input of independent Directors and independent Director participation in Board decisions, in addition to and apart from Board committee mandates, where the Chair of such committee will perform the "lead director" role, the Board has established a Lead Director position. The Lead Director role has been established to ensure appropriate processes are followed. A copy of the Lead Director's Mandate is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca).

The chair of each of the Board's committees are "independent" within the meaning of Regulation 52-110, to the exception of Benoît Gascon. Benoît Gascon is the Lead Director.

### BOARD MANDATE

The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. The Board's consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions. The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on NanoXplore's business in the ordinary course, managing NanoXplore's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

A copy of the written Mandate of the Board of Directors is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca).



## POSITION DESCRIPTION

Each of the Chair of the Board the Chair of Board committee is responsible for the management, development and effective performance of the Board or the Board committee, as applicable. Each directs and guides the committee on all aspects of its mandate and takes all reasonable measures to ensure that the committee fulfills its responsibilities. There is a written position descriptions for the Lead Director, which is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca).

The Board has drafted a job description for the Chief Executive Officer who is primarily responsible for the overall management of the business and affairs of the Corporation, including establishing the strategic and operational priorities of the Corporation and providing leadership for the effective overall management of the Corporation.

## ORIENTATION AND CONTINUING EDUCATION

The Board of Directors of the Corporation and its Corporate Governance and Nominating Committee (“CGNC”) provide reports and other documentation relating to the Corporation's business and affairs to all new Directors to orient them regarding the role of the Board, its committees and its Directors and the nature and operation of the Corporation.

Orientation and education of Directors is an ongoing matter. As such, ongoing informal discussions between management and members of the Board are encouraged and visits to the Corporation's operations are organized.

Board meetings are generally held at the Corporation's main site to give the Directors additional insight into the Corporation's business and operations. In a month where there is no formal meeting, the Directors generally hold an update meeting with the independent Directors, where management is usually present.

## ETHICAL BUSINESS CONDUCT

The Corporation is committed to promote the highest standard of ethics and integrity in the pursuance of all of its activities. Furthermore, the Directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all Directors shall act in compliance of all laws and regulations applicable to their office as Director of the Corporation.

The board has adopted a written code for the directors, officers and employees. Copy of which may be obtained on request to the corporate secretary of the Corporation at [sophie.rossignol@nanoXplore.ca](mailto:sophie.rossignol@nanoXplore.ca).

In order to ensure Directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest, should it occur, the Board asks the Director or executive officer interested in the transaction or agreement to withdraw during the discussions pertaining to such transaction or agreement.

## NOMINATION OF DIRECTORS

Any new appointee or nominee to the Board of Directors must have a favorable track record in general business management, special expertise in areas of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve as a Director.

The CGNC identifies and makes recommendations to the Board with respect to qualified candidates for nomination as directors according to the needs of the Board and the skills of the candidates. Proposed nominations are subject to review and approval from the Board. The responsibilities, powers and operations of the CGNC are described in the charter of the CGNC, a copy of which is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca).

The Corporation's CGNC is composed entirely of independent directors, namely: Denis Labrecque (Chair), Catherine Loubier and Arinder S. Mahal.

## COMPENSATION

On an annual basis, the HRCC evaluates the adequacy of compensation of the Directors and executive officers. After review and analysis, the HRCC recommends the compensation of the Directors and executive officers to the Board for approval.

The Corporation's HRCC is composed of Benoît Gascon and the independent directors, namely Cameron Harris and Catherine Loubier. The responsibilities, powers and operations of the HRCC are described in the charter of the HRCC, a copy of which is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca).

## OTHER BOARD COMMITTEES

The Board has not created standing committees than the Audit Committee, the CGNC and the HRCC.

## ASSESSMENTS

The Board does not formally review the contributions of individual Directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

## DIVERSITY AMONG THE BOARD AND EXECUTIVES

NanoXplore believes that a Board and senior management team comprised of highly qualified individuals that reflect the diverse populations of the communities in which NanoXplore operates results in effective decision making and supports NanoXplore's commitment to strong corporate governance. The Board has adopted a written diversity, equity and Inclusion policy (the "**DEI Policy**"), a copy of which is available online on the Corporation's website at [www.nanoxplore.ca](http://www.nanoxplore.ca), by which NanoXplore promotes diversity on the Board and senior management team.

The Corporation has adopted this policy as part of its commitment to foster an environment where everyone feels as though they belong and where their dignity, beliefs, and identity are respected. To achieve this, we strive to create a supportive work environment and a culture that welcomes everyone and encourages equitable opportunities for all employees. The company will comply with all applicable legislation in pursuit of these endeavors.

The Corporation will strive to create a culturally competent workforce by:

- Providing adequate training about diversity, equity, and inclusion.
- Ensuring leadership teams are trained on unconscious bias regarding recruiting, performance management, and terminations.
- Encouraging positive attitudes towards cultural differences.
- Raising awareness of and eliminating unconscious biases and the harmful effects of prejudice, discrimination, and microaggressions; and
- Learning from people with diverse backgrounds and experiences.

In support of the DEI Policy, the CGNC, in recommending future nominees for election to the Board, in recruiting and hiring senior management, considers diversity criteria such as gender, race, religion, ethnicity, sexual orientation, physical ability, geographic representation, age and other characteristics of the communities in which NanoXplore operates.

### ***Board Diversity***

The Board strongly believes in the benefits of a diverse Board, which include accessing a broader pool of qualified candidates and different perspectives, experiences and ideas which enhance decision making and provide the opportunity for innovation. Accordingly, consideration of the number of women, Aboriginal peoples, persons with disabilities and members of visible minorities who are directors, along with consideration of other diversity criteria, are important components of the selection process for nominees. In support of the DEI Policy, when recommending nominees to the Board, the CGNC develops and recommends strategies for identifying and attracting diverse

candidates. The Board is committed to diversity; however, it has not established targets for diversity among Directors as the Board believes that its criteria for recommending future nominees takes into account NanoXplore's overall objectives of increasing diversity while also ensuring that the Board possesses the necessary skills and experience to fulfill its responsibilities.

As of the date hereof, two of the Corporation's nine Directors (22.2%) identify as visible minorities, and two of the Corporation's nine Directors are women (22.2%). None self-identify as a person with disabilities or as an Aboriginal person. Adherence to the DEI Policy will be assessed by the Board and the CGNC on an annual basis. As part of the CGNC's assessment, it will consider the level of representation on the Board of the various diversity criteria outlined in the DEI Policy, including the representation of women. The CGNC will review the DEI Policy at least annually and may recommend changes in order to achieve the goals outlined in the DEI.

### ***Executive Diversity***

NanoXplore employs a mix of formal and informal policies and practices, including the DEI Policy, aimed at promoting a diverse workforce. The Corporation also focuses on the development and advancement of women, along with consideration of other diverse individuals, as an integral part of the senior management team, which includes both executive officers and senior positions reporting directly to executive officers. NanoXplore considers many factors, including necessary skills and experience required when recruiting and hiring senior management. Diversity criteria, including level of representation of women in senior management, is also considered during recruitment and hiring.

While there are currently no targets with respect to diversity in executive officer positions, NanoXplore recognizes that in order to achieve a representative balance in senior management it must develop strategies for identifying and attracting candidates with diversities for recruitment. Such strategies include engaging the services of external advisors where necessary to help identify future candidates who possess the necessary skills and experience as well as developing its internal talent to ensure that where possible, there will be highly qualified persons within NanoXplore available to fill vacancies. To that end, NanoXplore has made it an organizational goal to identify and address obstacles that may hinder the progression of individuals with diversities into senior management.

As of the date hereof, one of the four members of senior management identifies as visible minorities (25%), and one is a woman (25%). None self-identify as a person with disabilities or as an Aboriginal person. As part of the CGNC's assessment of the DEI Policy, it will consider the level of diversity, including gender diversity, visible minorities, persons with disabilities and Aboriginal persons, in the senior management team. The CGNC will also review the DEI Policy at least annually and may recommend changes to achieve NanoXplore's diversity goals for senior management. The commitment to diversity, as well as its promotion, expressed in the DEI Policy also applies to NanoXplore's recruitment, hiring and advancement practices in respect of all of its employees.

## **BOARD RENEWAL**

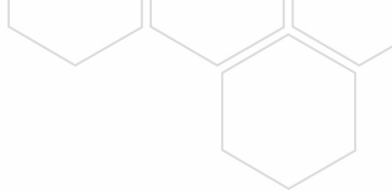
The Board has not adopted director term limits, a mandatory retirement policy or other formal mechanisms of board renewal. The Board, with the assistance of its CGNC, periodically reviews its composition to ensure that it continues to have the ideal mix of skills, perspectives, experience and expertise to effectively oversee management, and provide fresh ideas and viewpoints while not losing the insight and experience of longer serving directors and in particular their in-depth knowledge of the Corporation. The Corporation believes that it is important to achieve an appropriate balance of both to ensure the effectiveness of the Board. In addition, the Board assessment and peer review process encompasses an assessment of the independence of directors, including any impacts on a directors' independence as a result of his or her tenure on the board.

## **SUSTAINABILITY**

The Board of Directors oversees the Corporation's strategy and risk management processes, which includes ensuring that the Corporation has good corporate culture, strong governance structure, promotes the protection of the environment and other elements of sustainable business. We believe that these elements are an integral part of the long-term sustainability of a business enterprise. Moreover, Catherine Loubier, as member of the CGNC, oversees the Corporation's initiatives in regards with Environmental, Social and Governance ("ESG") questions.

The Corporation's vision is to create a better tomorrow by providing innovative, sustainable products and solutions across multiple industries and applications. Its mission is to empower its people within a business framework committed





to enhancing performance through carbon chemistry – enabling superior results for its employees, its customers, its suppliers, its shareholders, its community, and the environment. The Board has a responsibility to support both.

NanoXplore provides a greener alternative of carbon-based materials, like carbon black. Such materials are not naturally produced in the environment, they are manufactured by the controlled vapour-phase pyrolysis and partial combustion of gaseous or liquid hydrocarbons. Both processes that have a negative environmental footprint. In comparison, NanoXplore produces graphene through a mechano-chemical process that involves natural flake graphite, water and hydroelectricity. NanoXplore's GrapheneBlack™ technology allows for the recyclability of plastic to continue beyond one cycle when adding a small amount of graphene without sacrificing product performance. Our technology provides a unique value proposal and a real sustainable benefit to our customers within the plastics industry.

The Corporation is built on strong values and the Corporation runs its business in a socially responsible and ethical manner, by respecting the environment, respecting the law, supporting universal human rights and contributing to communities around the world.

Since its inception, the Corporation has implemented labour and environmental policies and practices that address these important matters, including policies promoting fair compensation and work hours, freedom of association, anti-harassment and discrimination, health and safety, and practices that promote community engagement and respect for the environment. The Corporation assesses and updates its sustainability and environment strategies where possible to meet its own goals for an environmentally and socially responsible company.

The Corporation's approach to health and safety, diversity and inclusion, environmental sustainability and the like is not simply in response to popular trends: it is at the core of NanoXplore's culture to make people's lives better. It is a given that people are to be treated the way we wish to be treated, with dignity and respect. It is foundational that a person has a right to feel and to be safe in our company, physically or emotionally, that prejudice in any form is unacceptable, that opportunity is provided equally to all. The Corporation strives to do that every day. It is also foundational that we as a company promote sustainability in all we do in our communities, by respecting and improving the environment, and indeed, our business focuses on reducing carbon footprint and saving energy. This is what sustainability means to us.

## 9. PROPOSALS BY SHAREHOLDERS

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Pursuant to the *Canada Business Corporations Act* ("CBCA"), resolutions intended to be presented by shareholders for action at the 2024 shareholder meeting must comply with the provisions of the CBCA and be deposited at the Corporation's head office between 90 to 150 days before December 7, 2024, being the anniversary of the last annual shareholder meeting, in order to be included in the management proxy circular and form of proxy relating to such meeting.

## 10. AVAILABILITY OF DOCUMENTS

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Additional information relating to the Corporation is available on the web site of the System for Electronic Document Analysis and Retrieval (SEDAR+) at [www.sedarplus.ca](http://www.sedarplus.ca).

Financial information is provided in the Corporation's financial statements and the management's discussion and analysis for the year ended June 30, 2023, copies of which may be obtained on request to the corporate secretary of the Corporation at [sophie.rossignol@nanoXplore.ca](mailto:sophie.rossignol@nanoXplore.ca). The Corporation may require the payment of a reasonable charge when the request is made by someone other than a shareholder.

## 11. APPROVAL OF CIRCULAR

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The Board of Directors of the Corporation has approved the contents of the Management Proxy Circular and its sending to the shareholders.

DATED at Montréal, Québec, this 7<sup>th</sup> day of November, 2023.

### **NANOXPLORE INC.**

Per: (s) Soroush Nazarpour  
Soroush Nazarpour  
President and Chief Executive Officer

## **SCHEDULE “A”**

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### **SPECIAL COMMITTEE – VOLTAXPLORE**

#### **MANDATES**

The Special Committee will have as a primary mandate to assist and support VoltaXplore's Chief Executive Officer in his responsibilities and tasks.

#### **COMPOSITION**

The Special Committee shall be composed of one member, Benoît Gascon. The board of directors can elect to nominate other members the case need be.

#### **RESPONSIBILITIES AND DUTIES**

Collaborate with the CEO and with the other members of senior management on VoltaXplore in all matters concerning the interests of the Board.

Assisting and supporting the CEO in the development and implementation of strategic initiatives, including strengthening the Company's partnerships with existing clients and fostering key relationships that lead to new business.

Assisting and supporting the CEO in achieving the financing of VoltaXplore's gigafactory.

Participate in the development and implementation of strategic initiatives, and provide oversight, together with the CEO, on strategic orientation of the Corporation.

#### **COMPENSATION**

Effective as of April 1<sup>st</sup>, 2023, Benoît Gascon will receive \$30,000 per month for the Term, which fees shall be payable directly by VoltaXplore. He will also receive 250,000 stock options of VoltaXplore as per the condition of the stock option program.

#### **TERM**

The mandate will be for a period of one year from April 1<sup>st</sup>, 2023. The Board of Directors should review and reassess the adequacy of the mandate at the expiration of the term.

# NanoXPLORE

Performance Through Carbon Chemistry

4500 Thimens Blvd, Montreal, QC H4R 2P2

[www.nanoxplore.ca](http://www.nanoxplore.ca)

TSX: GRA | OTCQX: NNXPF

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