



# Investor Presentation

July 2023

California Nanotechnologies Corp.



[calnanocorp.com](http://calnanocorp.com)

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**Cal Nano** is on a **mission** to bring next generation materials to market with cutting-edge technologies

We imagine a world in which our **advanced technologies** are used to make the most innovative products on this **planet** and **beyond**



# Cal Nano In 2023: Setting the foundation for **growth**

Building on decades of successful R&D experience to grow into commercial-scale production

 **\$1.56M**

TTM<sup>1</sup> Revenue  
(up 30% YOY)

 **135+**

Global customers who  
partner with Cal Nano

 **9,500+**

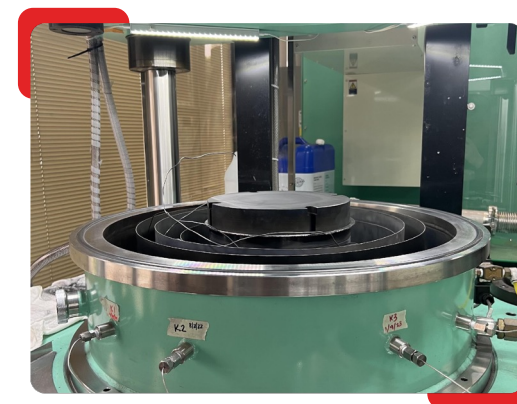
Runs performed on proprietary  
equipment for customers

**7 Dedicated**

Employees headquartered in  
Los Angeles, California

**2 Core**

Technologies (cryomilling and SPS<sup>2</sup>)  
driving new material innovations



Amounts are in USD unless otherwise stated  
1. For TTM period ending May 31, 2023

2. Spark Plasma Sintering



**One Process Patent Granted**

# Core Technology #1:

## Cryogenic Milling

A specialized grinding (attrition) process conducted in a cryogenic liquid environment of  $-190^{\circ}\text{C}$  to reduce particle sizes

### 1. Particle Size Reduction

Rapidly reduces particle size in materials that smear

### 2. Custom Alloys and MMCs

Create unique materials by combining different

### 3. Material Properties Improvement

See 2x increase in strength in certain applications like aerospace

### 4. Moisture, Oxygen or Heat Sensitive Materials

Can process dangerous materials very effectively and safely





**Main Revenue Driver**

## Core Technology #2: **Spark Plasma Sintering**

A novel process that can rapidly create materials and components with unique properties that are not possible with traditional manufacturing techniques

### **1. Extremely Versatile**

Compatible with many materials such as ceramics and alloys

### **2. Shorter Cycle Times**

Up to 10x faster than traditional techniques

### **3. More Cost Effective**

Energy savings of 80%+ compared to conventional sintering

### **4. Bonding and Functionally Graded Materials**

Bond metals to ceramics for complex electronic components

# Why invest in **Cal Nano**?

A unique asset with proven profitability and opportunities for significant growth

## 1. **High technology service provider**

Specialized manufacturing service provider in the growing field of advanced material processing

## 2. **Growing SPS adoption in North America**

Adoption for Spark Plasma Sintering (SPS) core technology at inflection point which will support more customer demand

## 3. **Onshoring of U.S. manufacturing**

Trend towards supply chain resiliency bringing manufacturing back to U.S. with attractive tax and grant incentives

## 4. **Transition from R&D to commercial-scale**

Historically only provided R&D services with growth in transitioning to larger commercial projects

## 5. **Proven and profitable business model**

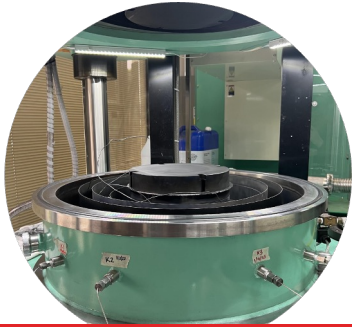
Company has successfully generated 65%+ gross margins, 20%+ EBITDA<sup>1</sup> margins and positive operating cash flow

## 6. **High barrier to entry**

Over a decade of know-how (9,500+ trials) and technology infrastructure to successfully deliver on projects at scale

# We help make the world's most **innovative products**

Our technologies deliver key material improvements that enable new products to get to market



Access to core material processing

Manufacturing



Provide in-house technologies

Equipment Sales



Extra material processing capabilities

Post-Production Services



Aftermarket service and support

Aftermarket Parts & Service

Cal Nano's **business model** addresses each part of the customer's advanced manufacturing supply chain





## Problem

Ambri came to Cal Nano with a problem involving a key component in their liquid metal batteries which was impacting life expectancy.

## Solution

In 2022, Cal Nano worked extensively on R&D needed to create a solution to resolve this issue using specialized material processing and SPS capabilities. By entrusting Cal Nano, Ambri was able to achieve increased lifecycle for their product and work towards a scalable pathway towards increased production.

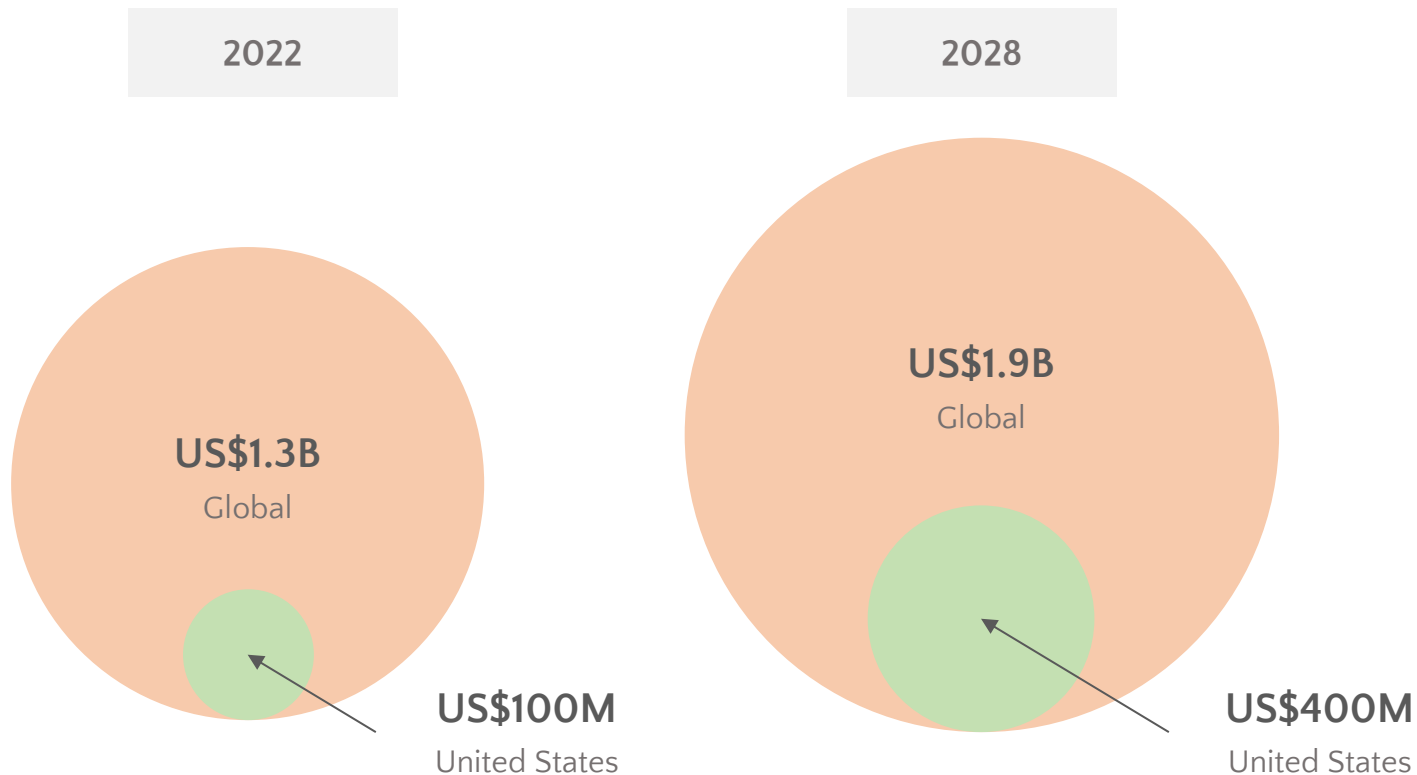
*"Cal Nano has been a powerful partner, helping us develop next-generation components for our high temperature liquid metal batteries."*



David Bradwell, Co-Founder & CTO at Ambri

# Leader within a **growing U.S. market**

## Global Spark Plasma Sintering (SPS) Market (Equipment & Services)



Sources: Statistics MRC and Management Estimates

## U.S. Manufacturing Onshoring

Push towards bringing manufacturing back to the U.S. will create demand for advanced manufacturing processes

## Inflation Reduction Act (2022)

Tax credits and incentives to invest in clean energy infrastructure and technologies which require higher performant materials with SPS

## Proven Capabilities in Growth Industries

SPS has proven effective with solar technologies, electric vehicles, carbon capture, thermoelectrics and next-generation batteries

## Transition from Traditional Sintering

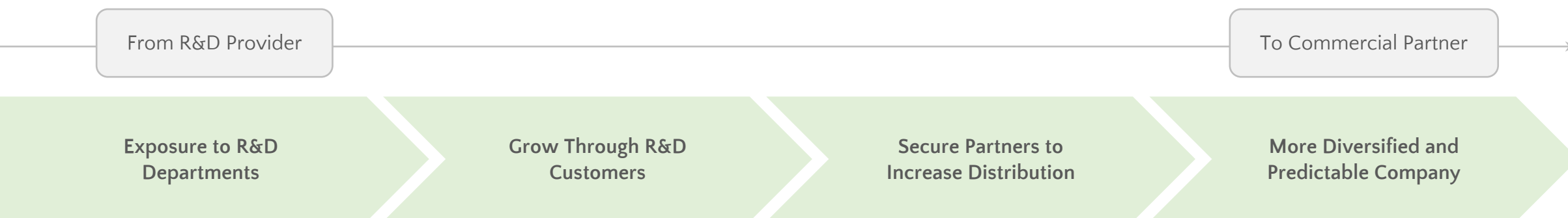
Traditional sintering techniques are less effective than SPS which will move the technology along adoption curve



Cal Nano's flywheel creates a **growth engine** for future traction and success

# Growth strategy to become a more **valuable company**

Leveraging our profitable and expanding R&D base to become a commercial-scale partner



## R&D Teams Depend on Cal Nano

Over 9,500 R&D trials completed for 135+ customers shows expertise and credibility with cutting edge R&D teams

## Work on Latest Material Advancements

Cal Nano is exposed to next-gen material advancements which are pre-production

## Growing Base of Customers

Core technologies are gaining exposure, increasing base of R&D customers to grow from as more researchers discover SPS and Cryomilling benefits

## R&D Transitions to Commercial

Select customers transition to commercial-scale services which gives Cal Nano the opportunity to secure larger contracts



## Strategic Partners Key to Scaling

Developed several partnerships to create distribution channels to sell Cal Nano services alongside complimentary partner offerings

## Higher Quality, More Repeatable Revenues

Commercial partners provide Cal Nano with larger contract values and more predictable revenues, contributing to a stronger operating profile

# Top institutions trust Cal Nano's **material expertise**



## Low-Carbon Energy

High performance thermoelectrics, nuclear reactor components

## Aerospace

High-temp ceramics for shielding, engine components or hypersonics

## Cleantech

Cathode materials and magnetics for utility-scale batteries, biodegradable packaging, CO2 capture

## Defense

Transparent ceramics, ultra-hard ballistic armors







## Automotive

High volume disk brakes, rotors



# A unique **service offering** in North America

Cal Nano's incentives and portfolio of services result in a unique market offering

	Cal Nano	Technology Manufacturers	National Labs/Universities
		  	 
Incentive	Sell Manufacturing Services	Sell Equipment	Provide R&D Support
R&D Service Offering	✓	✓	✓
Production Service Offering	✓	-	-
Cost Competitive	✓	-	-
SPS and Cryomilling Access	✓	-	-
Aftermarket Parts	✓	✓	-
Aftermarket Services & Training	✓	✓	-
Current SPS Capacity	1,000s parts/yr	Not Applicable	-
Current Cryomilling Capacity	10,000s kg/yr	Not Applicable	-
Trials Completed to Date	9,500+	-	Varies by Lab



Headquartered in Los Angeles County where all the core **SPS** and **Cryomilling** equipment and tooling is located



# Strong leadership with deep materials expertise



**Eric Eyerman**  
CEO and Director

Intimate knowledge of Cal Nano with journey from intern to CEO



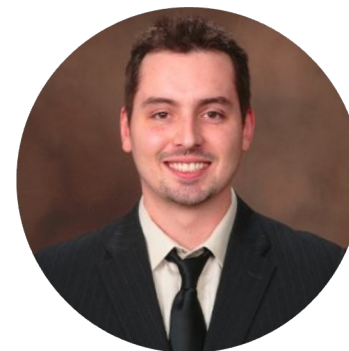
**Spencer Song**  
VP of Operations

Welding and machining expertise, oversees all project execution



**Brian Weinstein**  
VP of R&D

Machine shop focus with 2,000+ logged hours in SPS and Cryomilling



**Chris Melnyk**  
Business Development

Returned Cal Nano insider with diverse expertise in industrials



# Backed by a board with **diverse experience**



**Roger Dent**  
Director

Capital markets and smallcap  
investing expert



**Sebastien Goulet**  
Director

Operations and manufacturing  
know-how from multinationals



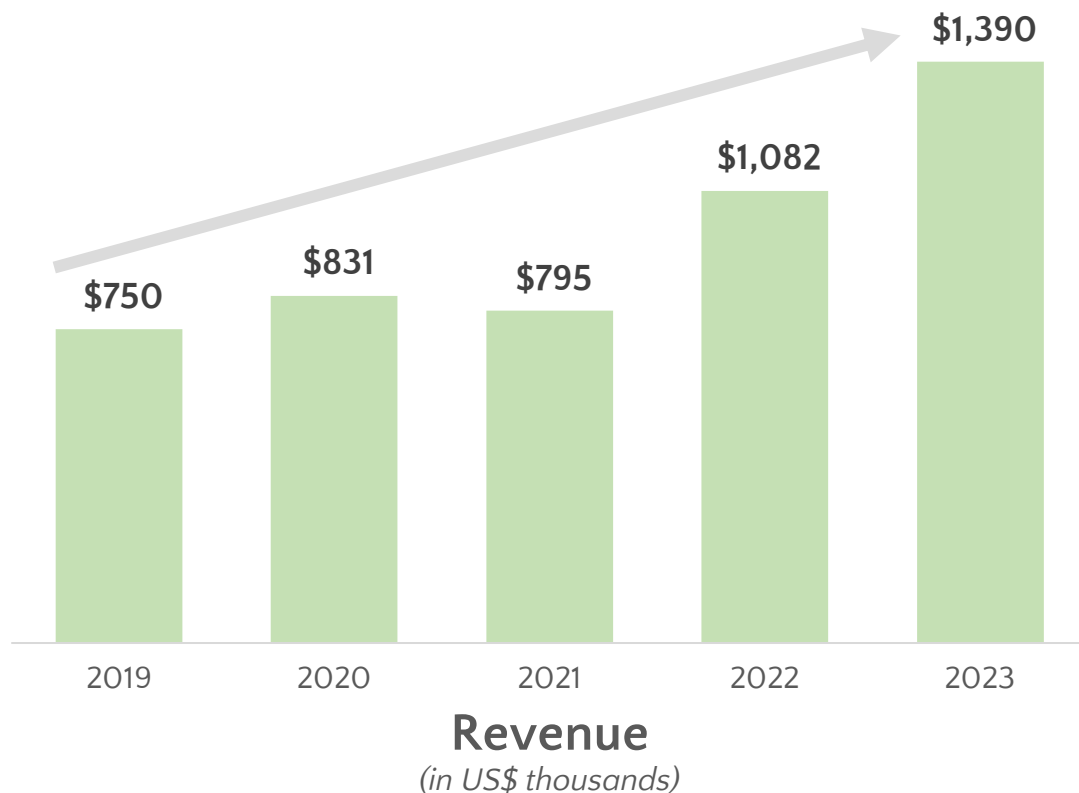
**Dr. Enrique Lavernia**  
Director

World-leading professor and  
researcher in material science



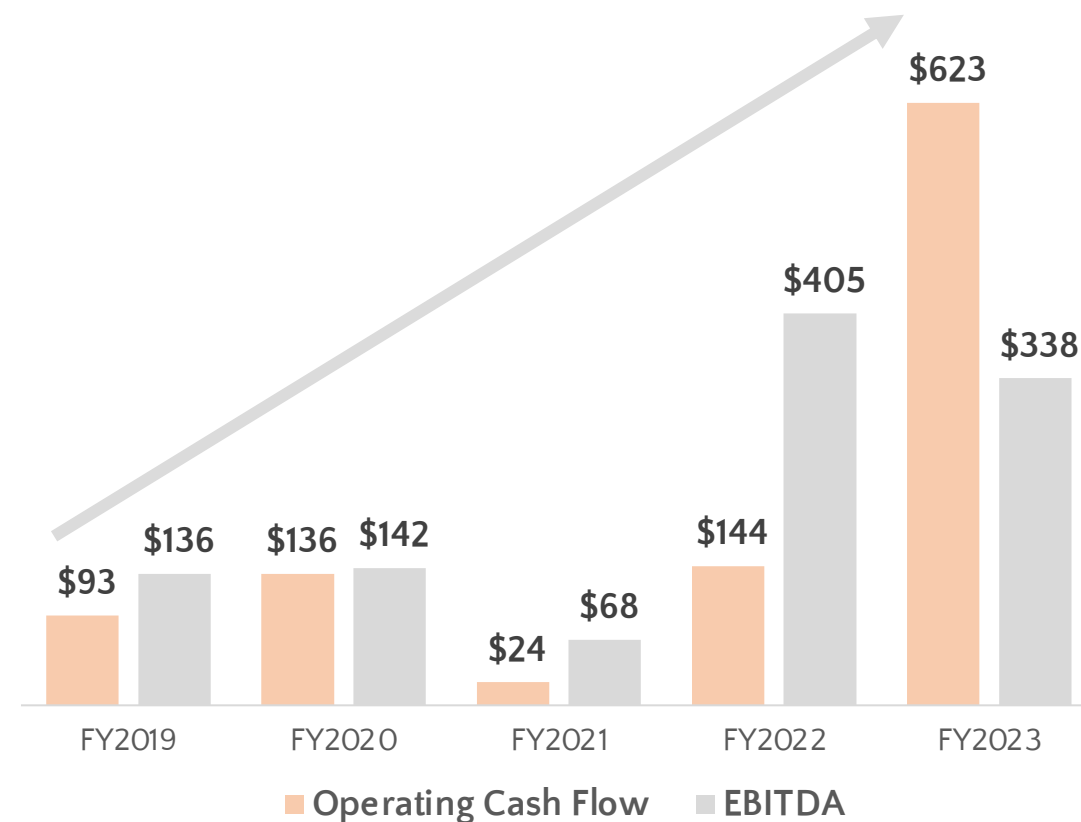
# Focus on **efficiency** is driving **financial performance**

Cal Nano has grown revenues while improving EBITDA<sup>1</sup> generation



Cal Nano's fiscal year end is February 28

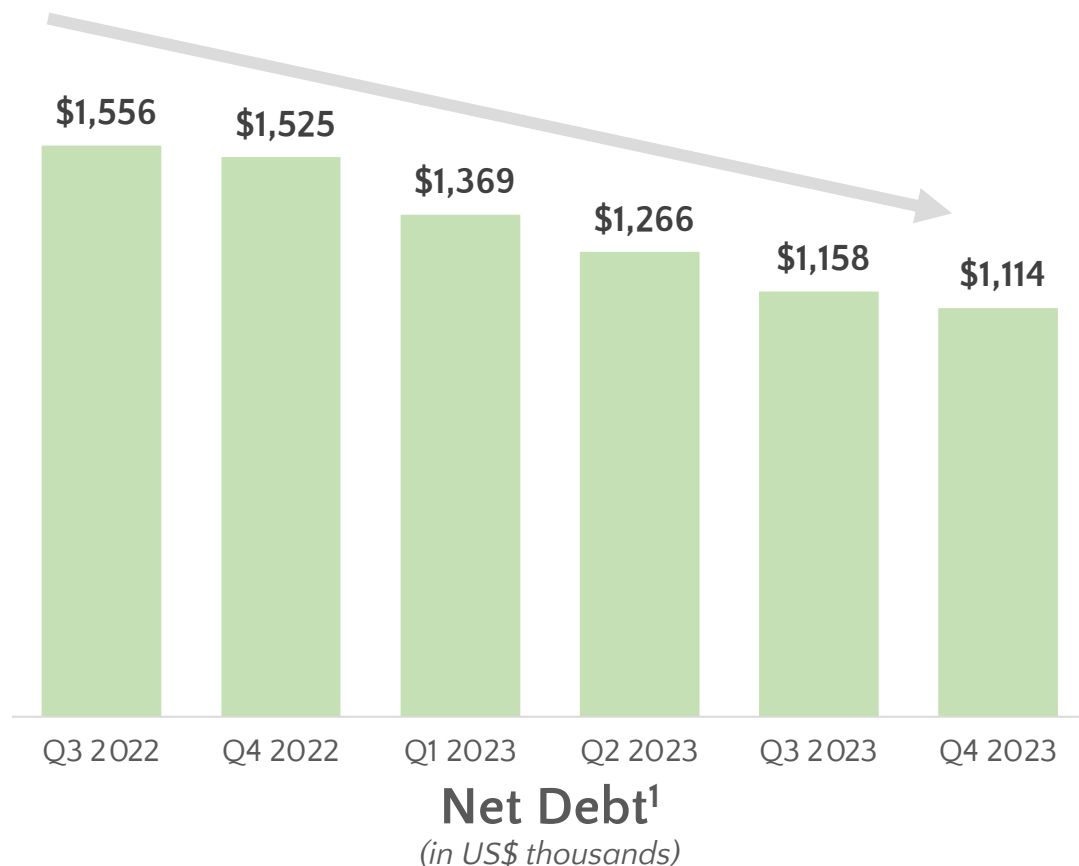
1. Non-IFRS Measure





# Improving **balance sheet** with debt being **paid down**

Management committed to reducing its legacy outstanding debt balance



As of February 28, 2023

Outstanding Debt	Maturity	Amount
Omni-Lite Industries Canada Inc. (7.5%)	30-May-25	\$ 1,080
Omni-Lite Industries Canada Inc. (4.3%)	-	\$ 250
<b>Total</b>		<b>\$ 1,330</b>

## Recent Debt Payments in FY2023

- Remaining US\$133K bank debt paid off entirely at beginning of FY2023
- US\$120K accelerated debt prepayment in Q4 2023 to Omni-Lite, covering payments for FY2024
- Ended Q4 2023 with US\$216K in cash on hand

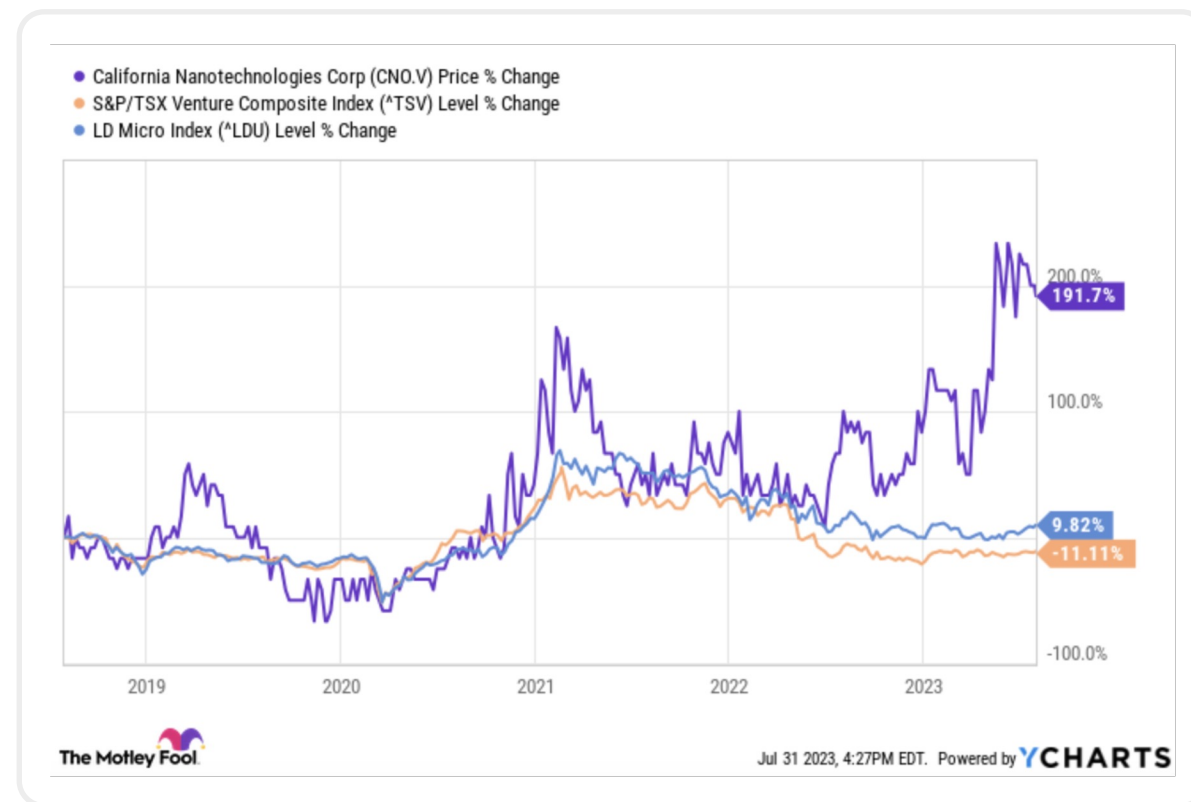
1. Non-IFRS Measure

# Capitalization Table and Insider Ownership

## California Nanotechnologies Corp. – TSXV: CNO, OTC: CANOF

Outstanding Shares	32,103,750	
Stock Options	3,180,000	
<b>Fully Diluted Shares</b>	<b>35,283,750</b>	
<b>Market Capitalization (as at July 30, 2023)</b>	<b>CA\$5.6M</b>	<b>US\$4.3M</b>

Insider Ownership	Shares	% Outstanding
Omni-Lite Industries Canada Inc.	6,004,970	18.7%
Patrick Berbon	3,208,164	10.0%
Roger Dent	2,532,000	7.9%
Other Insiders	310,000	1.0%
<b>Total</b>	<b>12,055,134</b>	<b>37.6%</b>





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