

**Report of Recipient's Progress  
on Economic Development Assistance Agreement**

Province of Nova Scotia

*(subsection 5(2) of the Accountability in Economic Development Assistance Act, and  
the Accountability in Economic Development Assistance Regulations)*

Under the Act, the Minister is responsible for publishing a report that documents the progress made by a recipient of economic development assistance in meeting the targets or timelines defined in their economic development assistance agreement. Progress must be published on a 6-month cycle and is summarized below for the reporting period for this report, as specified in Part 2 of this form.

**Part 1 – Recipient Company Details**

<b>Company</b>	NOVONIX Battery Technology Solutions Inc. (formerly NOVONIX Battery Testing Services Inc.)
<b>Fund name</b>	Strategic Investment Funds
<b>Type of assistance</b>	Payroll Rebate
<b>Agreement date</b>	April 16, 2021
<b>Agreement business activities</b>	Payroll investments in Nova Scotia. Business development, retention and expansion in the Clean Technology and Advanced Manufacturing sectors.

**Part 2 – Reporting Period for this report**

A recipient of economic development assistance from the Province of Nova Scotia is required by law to submit a report every 6 months on their progress in meeting the targets or timelines defined in their agreement with the Province. The reporting period for this report is indicated below.

<b>Reporting Period</b>	<b>Due Date</b>	<b>Year</b>
<input checked="" type="checkbox"/> October 1 to March 31	by May 1	2023
<input type="checkbox"/> April 1 to September 30	by November 1	2023

### Part 3 – Progress of Recipient for Reporting Period

The following table summarizes the recipient’s progress report to the Minister for the reporting period for this report, as specified in Part 2. The information contained in this Table was submitted by the recipient and the recipient is responsible for its accuracy.

**Table 2**

Targets / Timelines	Progress made during Reporting Period	Comments
For the company to have made incremental payroll investments in Nova Scotia.	NOVONIX BTS has continued to make significant payroll investments in Nova Scotia during the reporting period. Demand for our product and services continues to increase and we continue to hire to meet that increased demand.	
To be eligible for an earned incentive, for the payroll investments to be in the range of a minimum of \$651,000 for completed Program Year 1, up to a stretch maximum of \$5,338,200 for completed Program Year 5 and a minimum of 10 FTEs for completed Program Year 1, up to a stretch maximum of 82 FTEs for completed Program Year 5.	At the Year 2 end point, we are currently at 76.5 total eligible FTE employees. This is an incremental of 52.5 FTE which surpasses the Agreement Max Year 2 FTE of 32. Year 2 total payroll is \$6,790,278.50. This is an incremental payroll of \$2,492,167.50, which exceeds the Year 2 max value.	80,325 hours of payroll for the reporting period for an annualized average FTE of 76.5. Average salary for reporting period is 33% above required minimum average salary.
For the business to continue to operate, develop, and expand in the Clean Technology and Advanced Manufacturing sectors.	Our mission vision and values drive our business model which continues to be centered around the advancement of cleaner and better performing and better performing battery technology. Our main lines of business are R&D Services for the EV battery materials sector as well as our hardware testing equipment used to drive the green energy automotive manufacturing sector.	

### Part 4 – Status of agreement with recipient at end of this reporting period

The status of the agreement between the recipient and the Province, as determined by the Minister, is:

- Open - undisbursed
  - Open – partially disbursed
  - Open – fully disbursed
  - Completed
  - Cancelled / Withdrawn
- Amount disbursed- \$100,480.76

Comments (if applicable)

N/A