

**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

Company	NOVONIX Battery Technology Solutions Inc. (formerly NOVONIX Battery Testing Services Inc.)
Fund name	Strategic Investment Funds
Type of assistance	Payroll Rebate
Agreement date	April 16, 2021
Agreement business activities	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.

Reporting Period	Due Date	Year
<input type="checkbox"/> October 1 to March 31	by May 1	2023
<input checked="" 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 \$1,943,150 for completed Program Year 1, up to a stretch maximum of \$14,000,000 for completed Program Year 5 and a minimum of 26 FTEs for completed Program Year 1, up to a stretch maximum of 200 FTEs for completed Program Year 5.	At the mid-point of Year 3, we are currently at 97,308 hours for the 6-month reporting period (48.7 FTE), with a corresponding payroll of \$3,378,680 for the 6-month reporting period.	97,308 hours of payroll for the reporting period corresponds to an annualized average FTE of 97.3 (to be confirmed at end of Year 3).
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 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- \$269,740.76

Comments (if applicable)

N/A