

IN THE MATTER OF
THE *SECURITIES ACT*, RSNS 1989, CHAPTER 418, AS AMENDED (**the Act**)

-and-

IN THE MATTER OF ELCORA ADVANCED MATERIALS CORP. and GRAPHENE CORP.
(**the Respondents**)

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The parties to this Settlement Agreement (**Agreement**) are the Respondents, Elcora Advanced Materials Corp. (**Elcora**) and Graphene Corp. (**Graphene**) (**together the Respondents**) and the Director of Enforcement for the Nova Scotia Securities Commission, Enforcement Branch (**the Director**).
2. The parties agree the Nova Scotia Securities Commission (**the Commission**) has jurisdiction over this matter.
3. The parties agree to recommend to the Commission approval of this Agreement in accordance with the terms and process set out herein.

PART II – PROCEDURE FOR APPROVAL OF THE AGREEMENT

4. The Director agrees to request that a Notice of Hearing be issued setting down a hearing (**Settlement Hearing**) wherein the Commission will consider whether it is in the public interest to approve this Agreement and to issue an order in the form attached as **Schedule “A”**.
5. The parties agree that this Agreement constitutes the entirety of evidence to be submitted to the Commission at the Settlement Hearing.
6. The Director agrees to recommend that the allegations acknowledged and admitted by the Respondents be resolved and disposed of in accordance with this Agreement.
7. The parties acknowledge that this Agreement will become a public document upon its approval by the Commission at the Settlement Hearing.

PART III – STATEMENT OF AGREED FACTS

8. The Director and the Respondents agree with the facts and conclusions set out in this Agreement.

The Respondents

9. Elcora is an extra-provincial corporation incorporated under the *Canada Business Corporations Act*.

10. Elcora is a reporting issuer in Nova Scotia, Alberta, British Columbia, and Ontario. Nova Scotia is Elcora's principal jurisdiction. Elcora's head office is in Bedford, Nova Scotia.
11. Graphene is a private company and Elcora's subsidiary. Graphene is an extra-provincial corporation incorporated under the *Canada Business Corporations Act*. Graphene's head office is in Bedford, Nova Scotia.
12. Elcora and Graphene are joint actors as defined by s 1.1 of National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues (NI 62-103)*.

March 2024 Acquisition

13. On or about March 25, 2024, Graphene acquired 3,333,333 common shares of G6 Materials Corp. (**G6**) pursuant to a technology license agreement (**the Acquisition**). Under the agreement, the shares were payment by G6, at a deemed price of \$0.09 per share (\$300,000 total), for the right to acquire certain intellectual property rights from Graphene associated with graphene coating technology.
14. G6 is a reporting issuer in Alberta and British Columbia. British Columbia is G6's principal jurisdiction.
15. The Acquisition gave Graphene a 16.92% interest in the issued and outstanding common shares of G6, making it a reporting insider of G6.
16. Graphene published a news release on March 25, 2024, regarding the Acquisition and filed an early warning report. The early warning report did not state that Graphene and Elcora were joint actors and as such, did not meet the requirements of s 3.1 of NI 61-103. Graphene amended this report on December 11, 2024, to correct the omission.

July 2024 Transfer to Elcora

17. On or about July 15, 2024, Graphene transferred its common shares of G6 to Elcora (**the Transfer**), giving Elcora a 16.92% interest in the issued and outstanding common shares of G6.
18. Graphene ceased to be a reporting insider of G6 at this time but did not update its insider profile until October 2, 2024.
19. Elcora became a reporting insider of G6 at the time of the Transfer. Elcora did not create an insider profile or file an insider report within 10 days of the Transfer.
20. Elcora did not file an early warning report or issue a news release within two days of the Transfer.

Disposition of Shares by Elcora

21. Between July 26 and November 15, 2024, Elcora sold 1,375,500 of its G6 common shares. This took place through thirty-seven transactions with a total value of approximately \$99,996 (**the Transactions**).
22. At the conclusion of the Transactions, Elcora held 1,957,833 common shares of G6, representing a 9.94% interest in the issued and outstanding common shares of G6.
23. Elcora did not issue a news release or file early warning reports within two days of each change in interest in G6 greater than 2%.
24. Elcora did not file insider reports within five days of each of the Transactions.
25. On December 11, 2024, Elcora:
 - (a) issued a news release regarding the Transfer and Transactions;
 - (b) filed five early warning reports describing the Transactions;
 - (c) created an insider profile and noted on the profile that Elcora became and ceased to be a reporting insider of G6 on July 15 and November 15, 2024, respectively; and
 - (d) filed insider reports regarding the Transfer and Transactions.

PART IV – STATEMENT OF ALLEGATIONS ACKNOWLEDGED AND ADMITTED BY THE RESPONDENT

26. The Respondents admit the facts set forth in Part III herein and acknowledge that they violated Nova Scotia securities laws.
27. Graphene acknowledges and admits that by failing to:
 - (a) update its insider profile to state it ceased to be a reporting insider of G6 within ten days of the Transfer, Graphene violated s 2.1(3)(a) of National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)* (**NI 55-102**);
 - (b) file an insider report within five days of the Transfer, Graphene violated s 3.3 of National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (**NI 55-104**) and s 113 of the *Act*; and
 - (c) file an accurate early warning report disclosing Elcora's status as a joint actor of Graphene, Graphene violated s 3.1(1) of NI 61-103.
28. Elcora acknowledges and admits that by failing to:

- (a) create an insider profile within ten days of the Transfer, Elcora violated s 2.1(1) of NI 55-102;
 - (b) update its insider profile within 10 days after the conclusion of the Transactions, Elcora violated s 2.1(3)(a) of NI 55-102;
 - (c) file an insider report within ten days of the Transfer, Elcora violated s 3.2 of NI 55-104 and s 113 of the *Act*;
 - (d) file insider reports within five days of each of the Transactions, Elcora violated s 3.3 of NI 55-104 and s 113 of the *Act*;
 - (e) issue a news release and file an early warning report within two days of the Transfer, Elcora violated s 5.2(1) of National Instrument 62-104 *Take-Over Bids and Issuer Bids (NI 62-104)*; and
 - (f) issue a news release and file an early warning report within two days each time during the Transactions its interest in G6 changed by 2% or more or dropped below 10%, Elcora violated ss 5.2(2)(a) and 5.2(3) of NI 62-104.
29. The Respondents acknowledge that their actions undermined investor confidence in the fairness and efficiency of capital markets and were contrary to the public interest.

PART V – MITIGATING FACTORS

- 30. The Respondents acknowledge and accept responsibility for their conduct that is the subject matter of this Agreement.
- 31. The Respondents cooperated with the investigation of this matter.
- 32. Upon being contacted by Commission Enforcement Branch Staff, the Respondents promptly updated their insider and early warning report filings to be in compliance with Nova Scotia securities laws.
- 33. An administrative penalty of \$20,000 is proportionately significant to Elcora given its size and resources.

PART VI – TERMS OF SETTLEMENT

- 34. The terms of settlement are set forth in this Agreement and in the order contained in **Schedule “A”** to this Agreement, which is expressly incorporated herein.
- 35. The Respondents consent to the order contained in **Schedule “A”**.
- 36. The terms of settlement as set out in the order contained in **Schedule “A”** are as follows:

- (a) Pursuant to section 134(1)(a) of the *Act*, the Respondents will comply with Nova Scotia securities laws;
- (b) Pursuant to section 135 of the *Act*, Elcora shall pay an administrative penalty in the amount of \$20,000;
- (c) Pursuant to section 135 of the *Act*, Graphene shall pay an administrative penalty in the amount of \$3,500; and
- (d) Pursuant to section 135A of the *Act*, each Respondent shall pay costs in the amount of \$1,000 in connection with the investigation and conduct of this proceeding.

PART VII – COMMITMENTS

- 37. If this Agreement is approved and the order as set out in **Schedule “A”** is granted, the parties agree to waive any right to a full hearing and judicial review and appeal of this matter.
- 38. If this Agreement is approved by the Commission, the parties will not in any way make any statement, public or otherwise, that is inconsistent with the terms of this Agreement.
- 39. If this Agreement is approved by the Commission, the Respondents agree to abide by all terms of this Agreement.
- 40. If, for any reason whatsoever, this Agreement is not approved, or the order set forth in **Schedule “A”** is not granted by the Commission:
 - (a) The Director and the Respondents will be entitled to proceed to a hearing of the allegations that are the subject matter of this Agreement unaffected by the Agreement or the settlement negotiations;
 - (b) The negotiations, the terms of the Agreement and the Agreement will not be raised in any other proceeding or disclosed to any person except with the written consent of the Director and the Respondents or as may otherwise be required by law; and
 - (c) The Respondents agree that they will not raise in any proceeding the Agreement or the negotiations thereof as a basis of any attack or challenge of the Commission’s jurisdiction, alleged bias, appearance of bias, alleged unfairness or any other challenge that may otherwise be available.
- 41. The Respondents acknowledge that the Director has the discretion to withdraw from this Agreement if additional facts or issues are discovered that cause her to conclude that it would not be in the public interest to request approval of this Agreement. In the event of such withdrawal, notice will be provided to the Respondents in writing and the provisions of paragraph 40 of this Agreement will apply.

PART VIII – DISCLOSURE OF SETTLEMENT AGREEMENT

42. The Director or the Respondents may refer to any or all parts of this Agreement as required by Rule 15-501 *General Rules of Practice and Procedure* and in the course of the Settlement Hearing. Otherwise, this Agreement and its terms will be treated as confidential by all parties to it until approved by the Commission, and forever if, for any reason whatsoever, this settlement is not approved by the Commission.

PART IX – EXECUTION OF SETTLEMENT AGREEMENT

43. This Agreement may be signed in one or more counterparts that together shall constitute a binding agreement and a facsimile copy of any signature shall be as effective as an original signature.

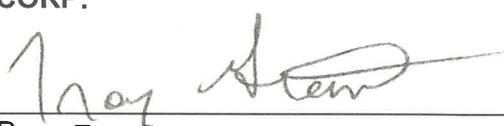
DATED at Vancouver, British Columbia, this 12 day of June, 2025.

SIGNED, SEALED AND DELIVERED
in the presence of



Johannes (Theo) van der Linde
Witness (print name)

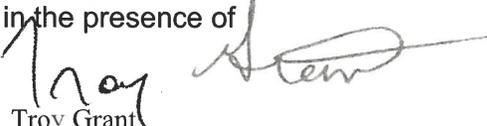
**ELCORA ADVANCED MATERIALS
CORP.**



Per: Troy Grant

DATED at Vancouver, British Columbia, this 12 day of June, 2025.

SIGNED, SEALED AND DELIVERED
in the presence of



Troy Grant
Witness (print name)

GRAPHENE CORP.



Per: Johannes (Theo) van der Linde

DATED at Halifax, Nova Scotia, this 17 day of June, 2025.

SIGNED, SEALED AND DELIVERED
in the presence of:

Witness (print name)
William Chase



Stephanie Atkinson
Director of Enforcement
Nova Scotia Securities Commission
Enforcement Branch

SCHEDULE "A"

IN THE MATTER OF
THE SECURITIES ACT, RSNS 1989, CHAPTER 418, AS AMENDED (**Act**)

-and-

IN THE MATTER OF ELCORA ADVANCED MATERIALS CORP. and GRAPHENE
CORP. (**Respondents**)

ORDER

(Sections 134, 135 and 135A)

WHEREAS on _____, 2025, the Nova Scotia Securities Commission (**Commission**) issued a Notice of Hearing to the Respondents pursuant to sections 134, 135, and 135A of the *Act*;

AND WHEREAS the Respondents entered into a Settlement Agreement with the Director of Enforcement for the Commission (**Director**) whereby they agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

AND WHEREAS the Director and the Respondents recommend approval of the Settlement Agreement;

AND WHEREAS the Commission is of the opinion that the Respondents have contravened Nova Scotia securities laws and it is in the public interest to make this order;

AND UPON reviewing the Settlement Agreement, and upon hearing submissions of counsel for the Director and counsel for the Respondents;

IT IS HEREBY ORDERED that:

1. The Settlement Agreement dated _____, 2025, a copy of which is attached, is approved;
2. Pursuant to section 134(1)(a) of the *Act*, the Respondents will comply with Nova Scotia securities laws;
3. Pursuant to section 135 of the *Act*, Elcora Advanced Materials Corp. shall pay an administrative penalty in the amount of \$20,000;
4. Pursuant to section 135 of the *Act*, Graphene Corp. shall pay an administrative penalty in the amount of \$3,500; and

