

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: [Metamaterial Inc. \(the "Issuer" / "META"\)](#).

Trading Symbol: [MMAT](#)

Number of Outstanding Listed Securities:

[As of June 7, 2021, 105,645,939 Common Shares, 13,034,257 Options, 1,872,750 Deferred Share Units, 1,606,855 Warrants, 19,619 Broker Warrants, Unsecured Convertible Promissory Notes of US \\$11,286,356 convertible into 7,248,342 Common Shares.](#)

Date: [June 7, 2021](#)

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

[Metamaterial Inc. \("META"\), designs and produces highly functional and sustainable products that master and manipulate light and other forms of energy. META applies this technology to revolutionize everything from solar solutions to aircraft safety, to automotive, consumer electronics and medical devices.](#)

[META uses three proprietary manufacturing processes to produce its products: holography, lithography, and wireless sensing. One of META's trade secrets is a powerful rapid-design software that not only designs the nanostructure pattern for our nanomaterials but also selects the optimal combinations of materials for them. Our proprietary rapid computer design, material selection and virtual testing capabilities result in highly optimized materials. This essentially eliminates the need to spend months and millions of dollars developing new chemical formulations, currently offered by major Industrial-Chemical companies, resulting in only incremental performance gains over previous legacy products.](#)

[Whether for our own products, or in response to custom requirements from industry, we are highly proficient in the rapid design of novel light and energy management functionalities into both original and existing products. Our holographic and lithographic nanofabrication technologies allow metamaterials to be rapidly produced in not only large quantities, on roll-to-roll equipment in many cases, but also in dimensions suitable for seamless use in many larger-area applications. This means that our nanomaterial-based products can be a competitive opportunity for any OEM who needs to rely on specialty and high-performance materials in almost any application, and yet keep performance/cost ratios under good control.](#)

META's technology is multidisciplinary in nature and acts as catalyst. It is at the cross section of advanced materials and nanocomposites, physics and chemistry, nanofabrication and machine learning. META has assembled a large portfolio of intellectual property and is now moving toward commercializing products at a performance and price point combination that has the potential to be disruptive in multiple market verticals.

The very precise and demanding quality standards of metamaterial design and nanofabrication require a robust quality management system. META has implemented and adheres to a carefully designed ISO 9001 Quality Management System ("QMS"). META's QMS defines the quality standards we must meet and the policies, processes, testing procedures and auditing measures that META must employ to achieve and maintain these high standards.

META's products are designed and manufactured with environmental sustainability as a high priority. As a result, META was honoured to be named by the Cleantech Group in the prestigious 2019 Global Cleantech 100. The Global Cleantech 100 is an annual guide to the leading companies and themes in sustainable innovation. The Global Cleantech 100 features companies that are best positioned to solve tomorrow's clean technology challenges.

META's current products include metaAIR®, an optical filter to provide laser eye protection; metaOPTIX™ Holographic Film Notch Filters, which are targeted for use by engineers and scientists in corporate R&D departments and university research labs; and NANOWEB® a transparent metal mesh that can be used to replace Indium Tin Oxide (a strategic metal that is conductive and transparent) for a wide range of applications including but not limited to transparent heaters, EMI shielding, sensors and 5G antennas.

Indium, according to the British Royal Society of Chemistry has a 0.052 crustal abundance (parts per million), its recycling rate is less than 10% and Indium is considered one of the least abundant minerals on Earth. They further report that Indium has been found uncombined in nature, but typically it is found associated with zinc minerals and iron, lead and copper ores. Indium is currently commercially produced as a by-product of zinc refining.

META has been working with global industry partners to showcase its lithographic ITO-alternative product capabilities including energy, consumer electronics and automotive OEMs who have shown interest in developing, funding and commercializing META's NANOWEB® product, as a replacement for ITO within existing product applications.

In addition, META has more than ten products currently in different stages of development, customer interaction and maturity. META's business model is to co-develop products with industry leaders, with the objective of enabling META to understand market dynamics and ensure the relevance and need of its products.

2. Provide a general overview and discussion of the activities of management.

As a result of COVID-19, management has been focused on keeping the Company's employees and consultants as safe as possible while at the same time advancing sales and scaling manufacturing capabilities.

Management has continued the design, development and procurement activities intended to scale its manufacturing batch processes to enable increased volume production of its NANOWEB® product line at a wafer scale and subsequently on larger substrates using roll-to-roll equipment. In holography, development is ongoing to support a range of standard products, such as metaOPTIX™ Holographic Film Notch Filters, as well as custom development programs for OEM customers.

In the month ending May 31, 2021:

- In discussions with a large OEM for a large AR program where META can be the supplier of HOE embedded in lenses for an eyewear AR application
- In discussions to develop a prototype for a next-generation AR headset
- Submitted a proposal to develop an aerospace HUD application
- Delivered EMI shielding prototypes for a LIDAR system to a major OEM
- Delivered another development phase for an aerospace EMI shielding application
- Sampling NANOWEB® for evaluation with an aerospace/defense OEM

On May 13, META announced that it will be exhibiting META SHIELD, a highly transparent laser glare protection solution. This convenient, flexible, self-adhesive film is easily added to existing equipment, including helmet visors, goggles, face shields and riot shields.

META will be exhibiting at five upcoming law enforcement tradeshow:

NSA, June 22-24, Phoenix, AZ

TAC OPS South, July 21-23, Nashville, TN

Police Security Expo, August 24-25, Atlantic City, NJ

TAC OPS East, September 8-10, Washington, D.C.

IACP, September 11-14, New Orleans, LA

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

META's management has been advancing partnership discussions with major OEMs in the automotive, materials, scientific instruments, and consumer electronics industries with proposals at various stages of negotiation.

META is working with one European-based global leader in specialty chemicals towards a strategic co-operation agreement.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None.

8. Describe the acquisition of new customers or loss of customers.

See Section 2 above.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.
  - 1 new patent family filed (in the UK, for holography)
  - 1 new patent application filed (in the U.S. for metaAIR®)
  - 1 new patent was issued (in the UK, for glucoWISE®)
  - The metaAIR® and metaVISOR® trademarks were registered in Canada
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

In the month ending May 31, 2021, the Company hired three full-time employees (one intern departed and four were added).

11. Report on any labour disputes and resolutions of those disputes if applicable.

None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

No indebtedness issuance or repayments during the month of May 2021.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Common shares (Options conversion)	117,479	Options converted on May 4, 2021 with exercise price of \$0.62/share	Proceeds of \$72,837 General corporate purposes

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

None for May 2021.

16. Provide details of any changes in directors, officers or committee members.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Since March 2020, META continues to expect that COVID-19 will impact this year's sales of metaAIR® laser protection eyewear product. Worldwide restrictions on travel are significantly impacting the airline industry and purchasing of metaAIR® eyewear may not be the primary focus of airlines post COVID-19. Management is pursuing sales in adjacent markets including consumer, military, and law enforcement.

During the COVID-19 crisis and its escalation globally, META's management continued to implement the March 16, 2020 Work From Home ("WFH") policy in all three locations.

META is continuing to be able to maintain inventory of long lead items and to work with its suppliers to optimize future supply orders. META continues to pursue business relief funding in all three locations.

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## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: **June 7, 2021.**

**Kenneth L. Rice**

Name of Senior Officer

*kenneth rice*

Signature

Chief Financial Officer

Official Capacity

<b>Issuer Details</b> Name of Issuer: Metamaterial Inc.	For Month End May 2021	Date of Report 21/6/7
Issuer Address 1 Research Drive		
City/Province/Postal Code Dartmouth, Nova Scotia, B2Y 4M9	Issuer Fax No. (902) 466 6889	Issuer Telephone No. (902) 482 5729
Contact Name George Palikaras	Contact Position CEO	Contact Telephone No. (902) 482 5729
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