

Call for Innovation: BC Industrial Decarbonization

Frequently Asked Questions

What is the NorthX 2025 Industrial Decarbonization Call for Innovation?

Through the **2025 Industrial Decarbonization Call for Innovation**, NorthX will award up to \$3 million in non-dilutive investments to Canadian-based innovators developing commercial pathways to scale hard-tech industrial decarbonization solutions across all industrial emitting sources in BC. NorthX backing provides early validation, testing, and financial support to companies on the path to adoption.

Priority will be given to projects that demonstrate:

- Measurable direct replacement or removal of GHG emissions from fossil fuels
- Solutions with a strong BC presence, including building intellectual property, partnerships with BC organizations, and near-term job creation in BC
- Companies must be incorporated in Canada
- A **strong industrial partner in BC** or proof of a pathway to a strong partnership with an industrial partner in BC
- Currently at a technology readiness level (TRL) of 4 to 9*; however, NorthX will prioritize TRL 6 to 9

Additional priorities for this Call include:

- Advancing meaningful economic reconciliation through projects led by, or developed in partnership with, Indigenous communities
- Delivering **co-benefits** such as ecosystem restoration, biodiversity conservation, and strengthening community resilience

Who can apply for the Industrial Decarbonization Call for Innovation?

NorthX will fund Canadian companies advancing industrial decarbonization solutions. While projects may be conducted outside Canada, strong preference will be given to BC based companies, especially those demonstrating the greatest impact in BC.



Consortia of companies working together to complete a project are acceptable and welcomed. In such cases a single lead company must become the applicant.

What types of projects do you fund?

Project activities may include demonstrations and pilot projects, innovative implementation solutions, system integration, mitigation or monitoring technologies, and business model innovations.

NorthX invites proposals for innovative climate solutions from qualified applicants whose solutions align with our objectives. You can view our <u>portfolio of projects</u> we've funded to date on our website.

Do you fund software solutions?

NorthX emphasizes a focus on hard-tech solutions and will not consider software solutions without a strong tie-in to hard-tech innovation.

How much funding could I receive?

Historically, NorthX has awarded an average of \$750,000 per project through its innovation calls. Funding for this Call may be distributed between multiple projects at our discretion, depending upon the strength and number of proposals received. NorthX reserves the right not to fund any projects.

NorthX invested \$20.2 million in 33 pioneering climate hard tech projects in 2024.

What are the minimum and maximum total amounts that can be requested?

NorthX will fund up to 50% of the total project cost. NorthX intends to invest in several projects of different sizes.

Historically, NorthX has awarded an average of \$750,000 per project through its innovation calls.

What will the funding cover? E.g. prototyping of new equipment, R&D, employee salaries?

Project funds can be used to pay salaries, consultants, and reasonable direct costs related to the project proposed in the application. Funds can also be used to secure



demonstration sites (including the operating costs of demonstrations), build prototypes, integrate system components, demonstrate pilot production or scale up manufacturing.

Project funds cannot be used to enhance normal business operational capabilities, purchase capital equipment, perform capital or leasehold improvements or purchase furniture or other equipment to be used in the routine course of business. Project funds cannot be used for advertising or other forms of business promotion. Human resource costs cannot be 'marked up' to include blanket overheads.

What types of projects are eligible for funding?

Project activities may include, but are not limited to:

- Integrating and testing components in a laboratory or simulated environment to validate or improve technology reliability
- Demonstrating prototypes or system models in operational environments to enhance technological maturity
- Demonstrating and implementing plans to scale technology production
- Linking system components to create complete solutions
- Developing standards to enable technology deployment
- Creating business partnerships to demonstrate system solutions and conducting demonstration projects with potential customers

There are other requirements and details in the application guide. Please review before applying.

How should applicants estimate and report the impact of their projects, particularly in terms of GHG emissions reductions?

The application should include a lifecycle analysis of the innovation, along with estimates of GHG emissions reductions, both at the project level and at scale. Assumptions and calculations should follow industry-standard methodologies, and supporting references or studies must be available upon request. In cases where it is more appropriate, such as in load-displacement applications, proposals may use proxies for GHG emissions (e.g., energy consumption metrics) for the calculations.

Are projects/technologies currently in development eligible?



Yes, project activities may include, but are not limited to, demonstrations and pilot projects, innovative implementation solutions, novel linkage of system components, mitigation or monitoring technologies, and business model innovations. See application guideline for more details.

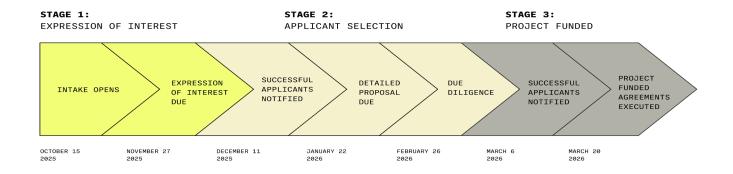
My company is based outside of BC but we have a project in the province. Are we eligible?

For this call, NorthX will consider applications from Canadian-based businesses with projects within the province of British Columbia.

My company is based in BC, but our project is outside of the province. Are we eligible?

Companies who are based in BC will be considered for this call, even if their project is out of the province.

What is the expected timeline for the Industrial Decarbonization Call for Innovation?



***Depending on the quality of applications moved to Stage 2 – NorthX may exercise its option to hold a 2nd EOI intake process starting January 22nd, 2026.

What is the expected timeline for investment dispersal?

Once the successful projects are notified, we will collaborate with the companies to develop a milestone plan. As each project milestone is achieved, the corresponding portion of the investment will be dispersed. On average, it is a two-year cycle to receive the funding.



Can partnerships or consortia of companies apply? Can larger enterprises support and partner with start-ups for this funding opportunity?

Consortia of companies working together to complete a project are acceptable and welcomed. In such cases, it is recommended that a single lead company should become the applicant.

I've received funding from previous NorthX calls for innovation. Can I still apply?

Yes! We'd be happy to hear about your new projects or follow-on funding opportunities.

What types of projects and/or companies have you funded through previous calls for innovation?

We fund companies with innovative clean energy and climate solutions that focus on decarbonization and commercialization. Visit our website to learn more about NorthX's funded projects: https://northx.ca/portfolio

I don't fit the criteria for this Call for Innovation, but we meet the criteria for other funding calls. Can I speak to someone about other funding opportunities?

Sign up for email updates and follow NorthX on social media to stay up to date on what calls are being offered! NorthX launches a variety of directed calls, as well as open calls to see what innovation is in the market, with a focus on our four focus areas: battery and energy storage, carbon management, low carbon fuels, and low carbon hydrogen. Check out the current funding opportunities here.

Who can I contact for more information?

Contact us with any questions at info@northx.ca.