

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

IN RE META MATERIALS INC.
SECURITIES LITIGATION

Case No. 21-cv-07203-JRC

**FINAL JUDGMENT AND ORDER OF
DISMISSAL WITH PREJUDICE**

WHEREAS, a consolidated class action is pending before the Court entitled *In re Meta Materials Inc. Securities Litigation*, No. 21-cv-07203- JRC (E.D.N.Y.);

WHEREAS, (a) Lead Plaintiffs Kaoutar Kajjame, Philip Granite, and Ricardo Joseph, individually and on behalf of the Settlement Class (“Plaintiffs”), and (b) defendants Meta Materials Inc. f/k/a Torchlight Energy Resources, Inc. (“Meta Materials”), George Palikaras, Greg McCabe, John Brda, and Kenneth Rice (collectively, “Defendants”; and together with the Plaintiffs, the “Parties”) have determined to settle all claims asserted against Defendants in this Litigation with prejudice on the terms and conditions set forth in the Stipulation of Settlement dated January 19, 2024 (the “Stipulation”) (Dkt. 69) subject to the approval of this Court (the “Settlement”);

WHEREAS, (a) Allen Denton and Menachem Gurevitch, plaintiffs in a related shareholder class action lawsuit alleging claims for breaches of fiduciary duty and aiding and abetting breaches of fiduciary duty, styled *Denton, et al. v. Palikaras, et al.*, No. A-23-878134-C (Clark Cty., NV) (the “State Action”) filed in Nevada state court, and (b) Defendants and additional defendants Alexandre Zyngier, Robert Lance Cook, and Michael Graves in the State Action also have determined to settle all claims asserted in the State Action, as contemplated and comprised by the definition of the Settlement Class in this Action;

WHEREAS, this matter came before the Court for hearing pursuant to an Order of this

Court, dated February 6, 2024, on the application of the Plaintiffs and the Defendants for approval of the Settlement set forth in the Stipulation;

(A) Pursuant to the Preliminary Approval Order entered on February 6, 2024, this Court scheduled a Settlement Hearing for May 21, 2024, at 10:00 a.m., to determine, *inter alia*, whether the proposed Settlement, Plan of Allocation, and requests for Lead Counsel's fees and expenses and requests for Compensatory Awards to Plaintiffs are fair, reasonable, and adequate, and should be approved by the Court (the "Settlement Hearing");

(B) The Court has received affidavit(s) and/or declaration(s) attesting to compliance with the terms of the Preliminary Approval Order, including the mailing of the Notice and publication of the Summary Notice;

(C) The Court has received zero objections and 223 valid requests for exclusion to the proposed Settlement and Plan of Allocation (listed in Addendum A hereto); and

(D) Due to adequate notice having been given to the Settlement Class as required by the Preliminary Approval Order, and the Court having held a Settlement Hearing on May 21, 2024, and the Court having considered all papers filed and proceedings in this Litigation and otherwise being fully informed of the matters herein, and for the reasons stated on the record on May 21, 2024, and as set forth herein, and good cause appearing,

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:

1. The provisions of the Stipulation, including definitions of the terms used therein, the Notice, the Summary Notice, and the Postcard Notice, are hereby incorporated by reference as though fully set forth herein. All capitalized terms used herein have the meanings set forth and defined in the Stipulation.

2. This Court has jurisdiction over the subject matter of this Litigation and over all parties to this Litigation, including all Settlement Class Members.

3. Plaintiffs and all Settlement Class Members (except those who validly requested exclusion, *see* Addendum A) are bound by this Order and Final Judgment (the “Judgment”).

4. Pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure, and for purposes of this Settlement only, the Court hereby certifies a Settlement Class, defined as: (a) All Persons that purchased Meta Materials and/or Torchlight Energy Resources, Inc. (“Torchlight”) publicly-traded securities during the Class Period, and were damaged thereby; (b) All holders of Torchlight stock as of the May 5, 2021 record date, eligible to vote on the proposed merger with Metamaterial, Inc. at Torchlight’s June 11, 2021 special meeting of shareholders, and were damaged thereby; and (c) All holders of Torchlight stock as of June 28, 2021, the date the proposed merger with Metamaterial, Inc. was consummated, and were damaged thereby. Excluded from the Settlement Class are: (i) Defendants and their Related Parties; (ii) the officers, directors, and affiliates of Meta Materials, at all relevant times; (iii) Meta Materials’ employee retirement or benefit plan(s) and their participants or beneficiaries to the extent they purchased or acquired Meta Materials securities through any such plan(s); (iv) any entity in which Defendants have or had controlling interest; (v) Immediate Family members of any excluded person; and (vi) the legal representatives, heirs, successors, or assigns of any excluded person or entity. Also excluded from the Settlement Class are those Persons who validly and timely requested exclusion.

5. With respect to the Settlement Class, this Court finds for purposes of effectuating this settlement that: (a) the Settlement Class Members are so numerous that joinder of all Settlement Class Members in the Litigation is impracticable; (b) there are questions of law and fact common to the Settlement Class which predominate over any individual questions; (c) the claims of the Plaintiffs are typical of the claims of the Settlement Class; (d) Plaintiffs have fairly

and adequately represented and protected the interests of all of the Settlement Class Members; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy, considering: (i) the interests of the members of the Settlement Class in individually controlling the prosecution of the separate actions; (ii) the extent and nature of any litigation concerning the controversy already commenced by members of the Settlement Class; (iii) the desirability or undesirability of continuing the litigation of these claims in this particular forum; and (iv) the difficulties likely to be encountered in the management of the class action.

6. The Court finds that the Plaintiffs and Lead Counsel have fairly and adequately represented the Settlement Class both in terms of litigating the Action and for purposes of entering into and implementing the Settlement and have satisfied the requirements of Federal Rules of Civil Procedure 23(a)(4) and 23(g), respectively.

7. This Court finds that the distribution of the Notice and the publication of the Summary Notice, and the notice methodology, all of which were implemented in accordance with the terms of the Stipulation and the Court's Preliminary Approval Order:

- (a) Constituted the best practicable notice to Settlement Class Members under the circumstances of this Litigation;
- (b) Were reasonably calculated, under the circumstances, to apprise Settlement Class Members of: (i) the proposed Settlement of this Litigation; (ii) their right to exclude themselves from the Settlement Class; (iii) their right to object to any aspect of the proposed Settlement; (iv) their right to appear at the Settlement Hearing, either on their own or through counsel hired at their own expense, if they did not exclude themselves from the Settlement Class; and (v) the binding effect of the

proceedings, rulings, orders, and judgments in this Litigation, whether favorable or unfavorable, on all persons not excluded from the Settlement Class;

- (c) Were reasonable, fair, and constituted due, adequate, and sufficient notice to all persons entitled to be provided with notice; and
- (d) Fully satisfied all applicable requirements of the Federal Rules of Civil Procedure (including Rules 23(c) and (d)), the United States Constitution (including the Due Process Clause), the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), the Private Securities Litigation Reform Act of 1995, the Rules of Court, and any other applicable law.

8. The terms and provisions of the Stipulation were negotiated by the parties at arm's length and were entered into by the parties in good faith.

9. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court finds that the Settlement set forth in the Stipulation is fair, reasonable, and adequate as to all members of the Settlement Class, and in the best interests of the Settlement Class taking into account, *inter alia*, the benefits to the Settlement Class; the complexity, expense, and possible duration of further litigation; the risks of establishing liability and damages; and the costs of continued litigation.

10. The Settlement set forth in the Stipulation is hereby finally approved as fair, reasonable and adequate in all respects, in accordance with the terms and provisions therein, and the Plaintiffs and the Settlement Class Members, and all and each of them, are hereby bound by the terms of the Settlement as set forth in the Stipulation.

11. The Plan of Allocation, as described in the Notice, is hereby approved as fair, reasonable and adequate. Any order, proceeding, appeal, modification or change relating to the

Plan of Allocation or the Fee and Expense Award shall in no way disturb or affect the finality of this Judgment, and shall be considered separate from this Judgment.

12. Upon the Effective Date, Plaintiffs and the Settlement Class Members, on behalf of themselves, and their heirs, executors, trustees, administrators, predecessors, successors, and assigns, shall be deemed to have, and by operation of the Judgment entered in the Litigation shall have, fully, finally, and forever released, relinquished and discharged any and all Released Plaintiffs' Claims against each and every one of the Released Persons, and shall forever be barred and enjoined, without the necessity of any of the Released Persons posting a bond, from commencing, instituting, prosecuting, or maintaining any of the Released Plaintiffs' Claims.

13. Upon the Effective Date, Defendants, on behalf of themselves, and their heirs, executors, trustees, administrators, predecessors, successors, and assigns, for good and valuable consideration the receipt and adequacy of which is hereby acknowledged, shall fully, finally, and forever release, relinquish, and discharge any and all Released Defendants' Claims against each and every one of Plaintiffs, and shall forever be barred and enjoined, without the necessity of any of the Plaintiffs, posting a bond, from commencing, instituting, prosecuting, or maintaining any of the Released Defendants' Claims against any of the Plaintiffs.

14. Plaintiffs and all Settlement Class Members are hereby forever barred and enjoined from prosecuting the Released Plaintiffs' Claims against the Released Persons.

15. In accordance with 15 U.S.C. § 78u-4(f)(7), claims for contribution arising out of any Released Plaintiffs' Claim, including, but not limited to, any claims that arise out of the Litigation (i) by any Person against a Released Person, and (ii) by any Released Person against any Person other than as set out in 15 U.S.C. § 78u-4(f)(7)(A)(ii) are hereby permanently barred, extinguished, discharged, satisfied, and unenforceable.

16. Any plan of allocation submitted by Lead Counsel or any other order entered regarding the attorneys' fee and expense application shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

17. Neither the Stipulation nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claims, or of any wrongdoing or liability of the Defendants; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any of the Defendants in any civil, criminal, or administrative proceeding in any court, administrative agency or other tribunal. Defendants may file the Stipulation and/or this Judgment in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or similar defense or counterclaim.

18. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction over (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing and determining applications for attorneys' fees and expenses in the Class Action; and (d) all parties hereto for the purpose of construing, enforcing, and administering the Stipulation.

19. Without further approval from the Court, Plaintiffs and Defendants are hereby authorized to agree to and adopt such amendments or modifications of the Stipulation or any exhibits attached thereto to effectuate the Settlement that: (a) are not materially inconsistent with

this Judgment; and (b) do not materially limit the rights of Settlement Class Members in connection with the Settlement. Without further order of the Court, Plaintiffs and Defendants may agree to reasonable extensions of time to carry out any provisions of the Settlement.

20. The Court finds that during the course of the Litigation, Plaintiffs and Defendants, and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11.

21. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, or in the event that the Settlement Fund, or any portion thereof, is returned to the Defendants, then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

22. This Litigation is dismissed with prejudice. The parties are to bear their own costs, except as otherwise provided in the Stipulation or this Judgment.

23. The provisions of this Judgment constitute a full and complete adjudication of the matters considered and adjudged herein, and the Court determines that there is no just reason for delay in the entry of this Judgment. The Clerk is hereby directed to immediately enter this Judgment.

SO ORDERED

Dated: Brooklyn, New York
May 22, 2024

s/ James R. Cho
James R. Cho
United States Magistrate Judge

ADDENDUM A

1 Bernard Macy
2 Kuljeet Thind
3 Peter Lyngstad
4 Bobby Bryant
5 Vuong Tran
6 Kevin Suter
7 Steven J. Tucker
8 Oliver Lamar Poole Jr
9 Kyle Knutson
10 Jessica Weller
11 Harold W. Morris
12 Scott Oeltjen
13 Raghu Mandava
14 Lisa Kaufman
15 Nora A. Galindo
16 Gary and Carol Barrios
17 Lloyd Grissom
18 Bradley Rains
19 Kahraman C. Karadeniz
20 Cecilia Belasse
21 Laura Freed
22 Nick Oeltjen
23 Tyler Ayotte
24 Austin Ayotte
25 Stephanie Ayotte
26 Christopher Perdue
27 Janet Hall
28 Keegan Bottoms
29 Wanda and Michael Norgard
30 Chris Hesby
31 Michelle Bruent
32 Gerald G Garcia
33 William J Hans
34 Donald VanTongerren
35 Abdulbaset Shagrun
36 Cianni Kwon
37 Chris Schenkel
38 Dorothy DeMay
39 Dane Jenkins

40 Yiming Mike Liu
41 Jeffre Feeder
42 Kevin Root
43 Leon Notrica
44 Pawel Chrobak
45 Timothy Jordan Ohar
46 Faustino Gabriel Fernandez Mendoza
47 David Amaya
48 Fortune Tiger
49 Theodore Nguyen
50 John Burge
51 Kevin Wang
52 KTJJ Foundation
53 Rodolfo Luiz Coelho
54 Tina Wang
55 Dr. Joseph Ferguson
56 Aaron Horne
57 Wayne Galjour
58 James A. Gribble III
59 Dena Ann Gregory
60 David & Sheree Sesok
61 Jason and Lori Forth
62 Madilinn Ainsworth
63 Michael B. Ainsworth
64 Deborah Jean Allen
65 Rance Edward Allen
66 Russell Seekatz
67 Susan Galjour
68 Michael J. Wagner
69 Michael Loftis
70 Jonathan Alyn Lobas
71 Diane Loftis
72 Bryan DeJoode and Katie Welshhons
73 Angela R Henkens
74 Jordan Stone
75 Norma Barnett
76 Alberto Santoyo
77 Matt Mlyniec
78 Stacie Blatz
79 David Jr. & Samantha Sesok

80 Ray Cousino
81 Marina Ivanova
82 Laura L. Roberts
83 Chad Brinegar
84 Tso-Chien Chou
85 Wen Fen Lo
86 Kimberly Kepling
87 Dustin James Clark
88 Robert Carpenter JR
89 Lynne George
90 John Light
91 Richard Tinsman
92 Juan E. Pabon
93 Steven Simone
94 Robert Kalina
95 Donna M. Richburg
96 Will Lush
97 John C. Pervel Jr.
98 Nicole C. Hughes
99 Andrew Cuccia
100 Wei Chun Tseng
101 Christopher Taro Ayabe
102 Lisa & Dave Buder
103 Thomas & Laurie Lucas
104 Skye Bailey
105 Timothy and Shannon Donoghue
106 Jason Rolo
107 Richard S Vencill Jr
108 Shereen Rogers
109 Aaron Selders
110 Todd Poth
111 Gary Hooper
112 Carolyn Hooper
113 Owen Perkins
114 Alexander Waldruff
115 Jaime M. Serensits
116 Joshua Calara
117 Garret Cote
118 Michael Ganos
119 Kathryn Iwahiro

120 Matthew Wassmer
121 Jonathan Leb
122 Matt Funke
123 Timothy A. Murray
124 Jacob Lee Clark
125 Charles Hill
126 Cary Wallace
127 Joe Haddon
128 Micayla Entrekin
129 Christopher Entrekin
130 Laura Entrekin
131 Ronald J. Schuette
132 Angela St Clair Lloyd
133 Corey L. Neal
134 Melanie R. Medford
135 Jose L. Garcia
136 Jose G. Garcia-Rios
137 James Joshua Oswald
138 Melanie Hairston
139 Denny Gonzalez
140 Zhi Yong Zhong
141 Douglas Nickerson
142 Johnna Alvarez
143 Scott Hooper
144 Jody McDaniel (Gilletti)
145 David Fosburgh
146 Justin Kix
147 Zuriel A. Cervantes
148 Anthony Losiniecki
149 Francis (Frank) H. James
150 Matthew Callahan
151 Veerapaneni Srinivasa
152 Thomas Cody Wheelis
153 Christopher Ward
154 Henry Cedeno
155 Diana Lynn Ultican
156 Karrie Nesbitt
157 Patrick Jay Thorson
158 James Danelski
159 Emanuella Iwahiro

160 Matthew Iwahiro
161 Roy and Tara Moore
162 Sunny Gill
163 Simmy Kaur
164 Richard W. Currens
165 Adam Brimmer
166 Kaitlyn Maloof
167 Deanne L. Benorden
168 Marcos Egberto Monteiro
169 Kurtis Bellamey
170 Paul M. Damitz
171 Royland D. Jarrett
172 Charissa Ann Jarrett
173 Douglas Collins
174 Scott Geschwill
175 Jason Amell
176 Kris Kersmarki
177 Shelly Anderson
178 Niki De Sario
179 Rosie Parmar
180 Kerran Seth and Rosie Parmar
181 Kostas Georgakoulis
182 Christopher Guzzi
183 Barbara K. Mabry
184 Allyson Floyd
185 Michael Layne
186 Ricky Osborne
187 Stuart Fitzgerald
188 Casey C. Reed
189 Erik Lien
190 Ryan Balzanto
191 Deborah L. Semkowski
192 Henok Kidane
193 Steve Ryan Wabeke
194 James Maffett
195 Eric Brind
196 Christopher Thomas Richardson
197 Stephen Kupchun
198 Anh Tuan Nguyen
199 Peter Britton

200 Mitchell Iwahiro
201 Truitt A. Coffman
202 Jason D. Frost
203 Ryan J. Kelly
204 Andrea Alerman Webber
205 Dana and Nicholas Dybdal-Hargreaves
206 Cynthia West
207 Helen Iwahiro
208 Lisa Marcey
209 Jason and Teri Smalley
210 Lisa Lackey
211 Etienne Tjon-Joe-Pin
212 Jonathan Gilbert
213 Larry A. Benorden
214 Michelle Allen
215 Jeremy England
216 Trevor Black
217 Copper Z Hansen
218 Anh Khang Phuong
219 Autumn L. Jones
220 Michael Fosburgh
221 Vanessa Eleanor Leigh
222 Ginette Bowen
223 Michael Gary Casey