

Part II Organizational Action (continued)

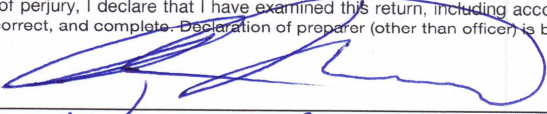
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
SECTIONS 354, 356, 358

18 Can any resulting loss be recognized? ▶ SEE ATTACHED

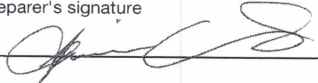
19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ SEE ATTACHED

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶

Print your name ▶ Kenneth Rice Title ▶ CFO

| | | | | | |
|-------------------------------|----------------------------|---|------------|---|--------------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| | JANICE CONNORS |  | 11/05/2021 | | P01402422 |
| | Firm's name ▶ KPMG LLP | Firm's address ▶ 140 WATER ST., SUITE 1001, ST. JOHN'S, NL A1C 6H6 CANADA | | Firm's EIN ▶ | 98-0173533 |
| | | | | Phone no. | 709-733-5000 |

Meta Materials Inc.
74-3237581
Attachment to Form 8937

Part II Line 14 – Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action:

On June 25, 2021, Torchlight Energy Resources Inc., a Nevada corporation ("Torchlight"), effected a reverse stock split of its common stock, at a ratio of one for two, and changed its name from "Torchlight Energy Resources, Inc." to "Meta Materials Inc." ("META"). At 12:01 AM on June 28, 2021, the Arrangement closed and signature pages were exchanged. The shares of Torchlight Common Stock, previously traded on the Nasdaq stock exchange through the close of business on June 25, 2021, under the ticker symbol "TRCH," commenced trading on Nasdaq under the ticker symbol "MMAT" on June 28, 2021.

Part II Line 15 – Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:

Generally, a U.S. holder's aggregate tax basis in the META common stock received by such U.S. holder as a result of the reverse stock split, will equal such U.S. holder's aggregate tax basis in the Torchlight common stock exchanged, increased by the amount of taxable gain, if any, recognized by such U.S. holder in the exchange and decreased by the amount of cash, if any, received by such U.S. holder.

The holding period for the shares of META common stock received, generally will include the holding period for the shares of Torchlight common stock exchanged therefore.

Part II Line 16 – Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of the securities and the valuation dates:

The exchange ratio as defined in the Arrangement Agreement was 1:2.

Therefore, for every two shares of Torchlight common stock owned, shareholders receive one share of Torchlight common stock.

As discussed above, a U.S. holder's aggregate tax basis in the new META common stock received as a part of the reverse stock split, generally will equal such U.S. holder's aggregate tax basis in the old Torchlight common stock.

To calculate the basis of the new META shares received pursuant to the Merger Agreement, divide the aggregate basis in the old Torchlight shares given up in the exchange by the exchange

ratio of 1:2. For example, if U.S. Holder owned 2 shares of Torchlight common stock with a basis of \$10 per share, the basis in each new common stock of META received would be \$20.

| | |
|--|------|
| Basis per share Torchlight stock | \$10 |
| Divided by exchange ratio | 1:2 |
| Basis per share META stock | \$20 |
| | |
| Total basis in shares of META stock received | \$20 |

Part II Line 18 – Can any resulting loss be recognized?

Since no U.S. holder is receiving cash in lieu of common stock, and the exchange is otherwise tax-deferred, no U.S. holder should have a recognized loss.

Part II Line 19 – Provide any other information necessary to implement the adjustment, such as the reportable tax year:

The reverse stock split occurred on June 25, 2021. Torchlight/META shareholders are urged to consult their own tax advisors with respect to their individual tax consequences of the reverse stock split. The information in this document does not constitute tax advice.