

13 December 2024

STRATEGIC \$2.1M CAPITAL RAISE TO ADVANCE COMMERCIALISATION STRATEGY

Highlights:

- **Commitments from four strategic investors to raise \$672,000 (before costs) through the placement of 42 million fully paid ordinary shares at \$0.016 per share**
- **Two-Tranche Placement comprising Tranche 1 to raise \$400,000, and a Tranche 2 (subject to shareholder approval) to raise an additional \$272,000**
- **Concurrently, Nanollose announces a 1 for 3 Rights Issue on the same pricing terms as the Placement to raise \$1.05m before costs**
- **Nanollose Directors Wayne Best and Winton Willesee will each convert \$200,000 in outstanding fees on the same terms as the Placement and Rights Issue (subject to shareholder approval)**
- **The Placement, Rights Issue and Fee Conversion will all include one for five attaching options (subject to shareholder approval excepting the Rights Issue)**

Leading biomaterials company **Nanollose Limited (ASX: NC6)** (“Nanollose” or the “Company”) is pleased to announce a strategic capital raise which includes firm commitments from four strategic sophisticated investors to raise \$672,000 (before costs) via the issue of 42,000,000 fully paid ordinary shares in the Company (“Shares”), at an issue price of 0.016 per Share (“Placement”).

As part of the strategic capital raise, Nanollose advises it will undertake a 1 for 3 non-renounceable rights issue (“Rights Issue”) on the same pricing terms as the Placement to raise \$1,050,701 before costs. In addition, Nanollose Directors have also agreed to convert fees to equity on the same pricing terms as the Placement to raise a further \$400,000.

Funds raised will be deployed towards continuing the Company’s research and development projects in fabric and fibres, agricultural products, and vegan leather as well as working capital.

Management commentary:

Nanollose Executive Chairman Dr Wayne Best said: *“We are pleased to announce this strategic capital raise, including a Placement which was strongly supported by a small group of sophisticated investors and the associated Rights Issue. This initiative will provide the Company with exceptional financial flexibility, and allow the Company to move forward more rapidly and with confidence to capitalise on its strong pipeline of opportunities.”*

Placement and Rights Issue

The Placement price of \$0.016 represents a 46% discount to the Closing Price on 12 December 2024, being the last trading day prior to the announcement of this Placement and a 31% discount to the 10-day volume weighted average price ('VWAP')

The \$672,000 Placement will be completed in two tranches, comprising:

Tranche 1: Placement of 25,000,000 Shares at 1.6c to raise \$400,000, pursuant to the Company's available placement capacity under ASX Listing Rule 7.1.

Tranche 2: Placement of 17 million shares at 1.6c to raise \$272,000, subject to shareholder approval to be sought at a general meeting of shareholders, expected to take place in February 2025 ("EGM").

Participants in the Placement will also, subject to shareholder approval to be sought at the EGM, receive one unlisted option to acquire a Share ("Attaching Options") for every 5 Shares issued, with an expiry date three years from the date of issue and an Exercise Price set out as follows:

- 2.5c if exercised within the first 12 months
- 3.5c if exercised within the second 12 months
- 4.5c if exercised within the third 12 months

In addition to the Placement, the Company will offer existing shareholders the opportunity to participate in the Rights Issue, at the same issue price as the Placement, to raise up to \$1,050,700 through the issue of 65,668,789 new Shares. Eligible shareholders will be entitled to apply for an allocation of Shares on a 1-for-3 basis, being one new Nanollose share for every 3 Shares they own on the record date. Participants in the Share Issue will also receive unlisted Attaching Options on a one-for-five basis.

Equity conversion

As part of the strategic capital raise, Nanollose Executive Chairman, Dr Wayne Best, and Non-Executive Director, Mr Winton Willesee, have each agreed to convert \$200,000 in outstanding fees to equity at 1.6c (with one-for-five Attaching Options), subject to shareholder approval to be sought at the EGM. The participation by Directors reflects the continued commitment of the Directors and the alignment of incentives and ongoing engagement by the Board with the delivery and execution of Nanollose's growth strategy

Indicative Timetable

The key dates are set out below, with further details to be contained in the Rights Issue Prospectus, which is expected to be dispatched to eligible shareholders on or about 13 January 2025. The dates are indicative only and the Company reserves the right to vary the dates including the right to lodge the Rights Issue Prospectus early or shorten the Closing Date or to withdraw the offer (subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules). Any changes to key dates will be lodged as an ASX market announcement.

Details	Key Date
ASX Release of Program	Friday, 13 December 2024
Settlement of Placement and Shares Issued (Tranche 1)	Wednesday, 18 December 2024
Notice of Meeting for EGM and Prospectus for Rights Issue Lodged	Monday, 13 January 2025
Extraordinary General Meeting	Friday, 14 February 2025

[ENDS]

AUTHORITY AND CONTACT DETAILS

This announcement has been authorised by the Board of Directors of Nanollose.

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ABOUT NANOLLOSE

Nanollose Limited (ASX: NC6) is a leading biomaterials company commercialising scalable technology to create fibres, fabrics and other novel materials with minimal environmental impact. Nanollose's, eco-friendly fermentation process can use agricultural waste and by-products to produce cellulose, a versatile raw material traditionally produced from trees via the wood pulping process. The company then uses this 'Tree-Free' cellulose as an input for its range of innovative biomaterials including its Nullarbor™ fibres, MicroGel™ horticultural medium, and its emerging animal-free and plastic-free leather-like materials.

Nanollose filed a joint patent application with strategic partner, Birla Cellulose, for its high tenacity, Tree-Free Nullarbor lyocell fibre in 2021. Work has now moved out of the laboratory and into Birla Cellulose's pilot production facilities in India where we have completed three successful pilot production runs to date totalling over a tonne of fibre, 800kg of Nullarbor-20™ and 150kg of Nullarbor-30™, and 100kg of Nufolium-20™. Quantities of these fibres have since been sent to several collaborators and been converted into yarns, fabrics, and garments for testing and evaluation, prior to potential uptake by partners.