Nanollose Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Nanollose Limited
ABN:	13 601 676 377
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$000
Revenues from ordinary activities	unchanged			Nil
Loss from ordinary activities after tax attributable to the owners of Nanollose Limited	up	68%	to	2,394
Loss for the year attributable to the owners of Nanollose Limited	up	68%	to	2,394

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the Company after providing for income tax amounted to $2,394,032 (30 June 2025: loss of $1,426,452).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net Tangible Assets/ (Liabilities)	1,198,254	396,411
Shares on issue	408,954,364	305,069,038
Net tangible assets per ordinary security (cents)	0.29	0.13

4. Control gained over entities

Name of entities (or group of entities) N/A

5. Loss of control over entities

Not applicable.

6. Status of Audit

This report is based on the financial statements which have been audited by RSM Australia Partners.

Attachments

Additional Appendix 4E disclosure requirements can be found in the directors' report and the 30 June 2026 financial statements and accompanying notes.

This report is based on the financial statements which have been audited by RSM Australia Partners.

Winton Willesee
Director
31 August 2026

NANOLLOSE LIMITED

ABN 13 601 676 377

ANNUAL REPORT - 30 JUNE 2026

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CORPORATE DIRECTORY

DIRECTORS	Wayne Best Winton Willesee Andrew Moullin- appointed 14 July 2025
COMPANY SECRETARY	Winton Willesee Timothy Barker
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SHARE REGISTRY	Automic Registry Services Level 5, 191 St Georges Terrace PERTH WA 6000 Telephone: (08) 9324 2099
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CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear fellow shareholders,

On behalf of the Board of Directors, it is my pleasure to present Nanollose Limited's Annual Report for the year ended 30 June 2026 (FY2026).

FY2026 was a pivotal year in the Company's development and one in which Nanollose's strategic direction was substantially sharpened. Following the commencement of Mr Andrew Moullin as Chief Executive Officer and Managing Director on 14 July 2025, the Board undertook a rationalisation of the Company's product suite, narrowing our near-term focus to a single flagship commercial pathway in Nullarbor™ fibre.

That decision reflected an assessment of the Company's resources. While Nanollose holds opportunities across textiles, nonwovens, agricultural inputs and leather alternatives, the Board concluded that concentrating capital and technical resources behind Nullarbor™ provides the strongest pathway to commercial scale and realising value.

Importantly, Nullarbor™ addresses an established global industry that produced approximately 8.4 million tonnes of man-made cellulosic fibre in 2024, and where demand for alternative and more sustainable sources of cellulosic feedstock continues to grow. The European Union's Deforestation Regulation, alongside broader industry focus on supply-chain transparency and sustainable sourcing, is reinforcing the need for non-forestry feedstock solutions. Nullarbor™ is designed to complement existing industry infrastructure, providing a non-forestry source of cellulose that can be incorporated into established lyocell production processes.

Against that strategic backdrop, FY2026 delivered the operational milestones central to advancing this pathway - the fourth pilot production spin with Birla Cellulose, a substantial improvement to the Company's previous production process, and a deliberate strengthening of internal engineering and analytical capability. Andrew sets these out in detail in his letter which follows. From the Board's perspective, their significance is that they have strengthened our confidence in the process economics achievable at industrial scale, and moved the questions in front of the Company from ones of invention to ones of engineering and execution.

The most significant decision taken by the Board during the year concerned the Company's manufacturing pathway. Nanollose had previously contemplated a two-stage model, constructing a pilot line and subsequently a separate larger demonstration line, on a capital-light and partner-backed basis. Following the process improvements and engineering work completed during FY2026, the Board concluded that a single Pilot Facility, built and controlled by the Company in Western Australia, can deliver the production data and material volumes required to engage customers and to support discussions with future partners or purchasers. Establishing that facility is Nanollose's principal operating objective for FY2027.

The Board did not reach that conclusion lightly. Building the facility ourselves means we carry the work rather than share it, and the facility's cost and configuration are still being established through the equipment tender and costing process. We accepted this, in exchange for a materially shorter pathway to commercial engagement, direct control over the pace and direction of development, and the retention of the Company's process know-how - which is our most valuable asset and could be licensed or sold. For a pre-revenue company, elapsed time carries a cost of its own, and the Board judged the shorter route to be the less expensive one overall. Importantly, the facility is being costed and procured in stages, which allows expenditure to be committed progressively as the program advances rather than in a single tranche.

Capital allocation remains central to the Board's oversight, and the Company enters FY2027 in a materially stronger financial position than it entered FY2026. During the year the Company received $311,000 under the Federal Government Research and Development Tax Incentive, secured a binding commitment from Fiftyone Capital for the exercise of 30 million options to raise $750,000, and repaid its $200,000 short-term borrowing in full. Since 1 April 2026 the Company has raised a further $1.58 million through the conversion of unlisted options exercisable at $0.025 and $0.05, closing the year with cash of $1,332,134 against $617,318 a year earlier.

The Company also has 29,405,000 listed options exercisable at $0.05 on issue, expiring 6 February 2027, which if exercised in full would provide a further approximately $1.47m. Together with a staged approach to facility expenditure and continued pursuit of non-dilutive research and development funding, the Board considers the Company well positioned to progress the Pilot Facility program.

CHAIRMAN'S LETTER TO SHAREHOLDERS

During the year, Ms Heidi Beatty resigned as a Non-Executive Director, effective 1 April 2026. On behalf of the Board, I thank Heidi for her contribution over more than six years. The Board continues to review its composition and capabilities as Nanollose progresses into its next phase of development.

I have worked closely with Andrew throughout his first year in the role and, on behalf of the Board, thank him for his leadership. I also thank our technical teams for their commitment throughout the year.

Finally, I thank our shareholders for their continued support. As Nanollose enters FY2027, the Board remains focused on disciplined capital allocation, execution of the Pilot Facility strategy and converting the Company's technical progress into sustainable commercial and shareholder value.

Wayne Best

Dr Wayne Best
Executive Chairman

MANAGING DIRECTOR'S LETTER TO SHAREHOLDERS

Dear fellow shareholders,

FY2026 marked my first year as the Company's Chief Executive Officer and Managing Director. Importantly, FY26 marked a period of considerable growth, transformation and improvement for the Company, with distinct focus on what we are trying to achieve and how we intend to achieve it. While your Chairman has set out the strategic framework and rationale, there were several considerable operational milestones met, which drove what we built, learned, and influenced our deliverable plan for FY27.

Why we are doing this

Before providing the operational detail, it is important to put the broader opportunity into context. The world made roughly 8.4 million tonnes of man-made cellulosic fibre in 2024 - the viscose, modal and lyocell in a large share of what people wear. Almost all of it is sourced from trees. Canopy, one of the world's leading forest conservation organisations, estimates that over 300 million trees are logged each year to supply the fashion industry alone - some of them from ancient and endangered forests. Demand for the fibre keeps expanding, but forests and ecosystems are not.

Nanollose grows, and utilises, cellulose without a forest, created by microbes fed on waste streams and by-products, in trays, in days rather than in plantations over decades. No logging, no degradation of soil, water table, and biodiversity. Every tonne of microbial cellulose that goes into a lyocell line will be a tonne of wood pulp that does not. And nobody will have to be brave to adopt it: Nullarbor™ substitutes into lyocell lines that already exist, on equipment that is already paid for.

The fourth pilot spin

In February 2026, we completed our fourth pilot production spin with Birla Cellulose in India. A 200kg batch of microbial cellulose, produced by our long-term supply partner Hainan Guangyu Biotechnology in Haikou, yielded 580kg of fibre — 425kg of Nullarbor-25™ and 155kg of Nullarbor-30™. Importantly, this was our largest single production run.

This initiative provided a valuable learning experience, as well an early validation of our pathway. For the first time we demonstrated our material can be used as incremental feedstock directly in the lyocell process, without the need for pre-processing by Birla. 580kg is small against an 8.4 million tonne industry. But it was made on the same commercial equipment that makes the industry's fibre today, and we believe being an incremental feedstock will be a major factor enabling and encouraging the uptake of microbial cellulose by fibre manufacturers.

The advancement that changed the year

The most consequential work of FY2026 didn't occur in India, but much closer to home in our own laboratory, following completion of the fourth spin.

Having run the pulp preparation stages at scale during the fourth spin, we saw the process was inefficient, and required improvement to drive major partner and customer interest. This was achieved and led to a minimum of an 80% improvement based on conservative assumptions and at laboratory scale. Pleasingly, this also removes an entire production step. To this end we see an 80% more efficient process over the fourth pilot spin, a more uniform material as a monumental achievement.

More importantly, removing a stage is more than an incremental gain, it is equipment we no longer must specify, buy, house, power, maintain or commission, and a set of failure modes we no longer must design around. The improvement in uniformity matters for a different reason: consistency is what customers evaluate, and variability was an issue.

So, the questions in front of us are engineering rather than invention. That is a materially better place to be, and it drove the decisions below.

Washing, dewatering and dissolution

With significantly improved efficiency, our engineering attention moved to handling microbial cellulose at volume. Trials run with a local dewatering and filtering consultant established a technically viable pathway for economic and scalable dewatering, preparing the material for final stages. Separate testing with a European supplier assessed equipment for washing at scale, who expressed high confidence that our laboratory results will carry through to pilot equipment and on to the largest industrial equipment.

Neither of these tasks are finished. The next dewatering trials will use larger volumes to validate throughput and give us the data to specify equipment for purchase. We are also evaluating alternative equipment for the same stages as redundancy measures, and we have not committed to any supplier. On dissolution, we prepared material for technical validation in India under an updated protocol; that review is still being finalised and further testing is progressing.

The Pilot Facility

The Chairman has set out the Board's decision to build and control a Pilot Facility in Western Australia, and the reasoning behind it. At our stage, time is a material cost, and external dependencies have added many months to our iteration cycle. Controlling the facility means we set the pace, we run the experiment we want, when we want to run it, and our process know-how stays with us.

Equipment tendering is underway and we are costing the initial stages. We will provide detail on facility cost and configuration as that work firms up. Site selection for larger, fit-for-purpose premises in Western Australia is advanced.

A facility of this kind does not require one large commitment. We are costing and procuring it in stages, so expenditure is committed as each stage is specified rather than all at once. How the full program is ultimately funded will be determined as the tender and costing work progresses.

Building a team that can deliver it

A decision to build and control our own facility is only as good as the people executing it, so we spent the year adding capability. We're bringing analytical and testing capability onshore into Australia. Work that previously waited on offshore partners and third-party laboratories is increasingly done by us, directly.

We appointed Ms Danielle Nardini as Operations and Engineering Manager in June, and she commenced in July, bringing over 16 years of engineering and operations experience including the scale-up of battery-electric mining systems at Sandvik. We have since engaged two further consultants: Mr Peter Hillier, a founder and lead process engineer with over 15 years scaling technology across multinationals and start-ups, and Dr Jacob Brown, who holds a PhD in chemical engineering from Cambridge and was previously a senior chemical engineer at Tesla. Both have taken process technology from laboratory to pilot and beyond, and both know how to build with limited resources.

Where the value is

I have written mostly about cost and control, so let me be direct about where we believe the value sits. The asset is the process, not the Pilot Plant. Man-made cellulosic fibre is produced at a large scale by a small number of major producers, using capital-intensive facilities that already exist. It would be challenging to out-build or directly compete with them, and nor do we need to. Our path is to prove the process at a scale the industry recognises, then have it deployed - by licence, joint venture or sale - inside plants that are already there.

The economics of scaling this way are attractive. Licence income scales on somebody else's tonnes, somebody else's capital and somebody else's customers, in a regenerated cellulosic market estimated at US$20 billion and growing, where brand commitments on traceability and non-forest feedstocks are running ahead of available supply. Underpinning this is the intellectual property we continued to build during the year - 15 granted patents and 8 registered trademarks across four patent families - and the process know-how that is now in-house.

That is the asymmetry: a defined, staged spend on a single facility, against an outcome that is not bounded by our own balance sheet. It is a thesis rather than a forecast, and it depends on several things we have not yet done.

What is still to be achieved

We do not have binding commercial supply, licensing or offtake arrangements for Nullarbor™ fibre. We have not yet established the cost or final configuration of the Pilot Facility, and we will not know either with confidence until the tender and costing work concludes. The larger-volume dewatering trials and scale dissolution validation in India are both still in front of us. The 50kg specialised fibre grade requested by an international brand is technically demanding and we may not deliver it in the short term; however, that enquiry, and others, tells us there is real interest in what we make, and I would rather chase it and fall short than not have been asked.

On cost, our process is shorter, uses fewer inputs and runs on standard equipment not purpose-built plant, which is where our confidence in the economics at scale comes from. We do not yet have the operating data to prove this, and that is what the Pilot Facility is for.

We have also set aside work that shareholders have followed for years. The Biollose™ horticultural platform and the leather-like material remain of interest, and we continue to maintain that IP, but they have not had our attention since the strategic review. That was a choice of focus, not a judgement that they lack merit.

Finally, shareholders have heard less from us this year than we would have liked. We are a small team, and the demands of the year required our focus to remain firmly on operations – while this is not an excuse, there is now a stronger operational foundation from which to communicate progress more regularly. In FY27, I intend to communicate more regularly and with greater substance, including reporting against the markers set out below. However, the door remains open to contact us directly — if there is something you want to know, please ask.

Outlook

Next year is about delivery, and I would like you to hold us to visible markers rather than narrative. Secure and fit out the Western Australian premises. Complete the equipment tender and costing and tell you what the facility will cost and what it will produce. Install and commission the onshore equipment. Complete the larger-volume dewatering and washing trials and finalise equipment specifications. Then build, commission and run the Pilot Facility, and use the material it produces to convert partner evaluation into formal commercial arrangements.

I want to thank the team, who are few and have carried a great deal this year; our partners at HGB, Birla Cellulose and Paradise Textiles, whose work has brought us to this point and with whom we will continue to work; the Board, for backing our focus to realise shareholder value; and our shareholders, whose support funds every one of the decisions described above.

If we are right, what sits at the end of this is a share of a fibre industry able to meet growing demand without taking more of it out of the forest, and a company positioned to earn from that growth through licensing, sales, and/or other strategic commercial arrangements.

We enter FY2027 better funded, with an improved process, a clearer plan and a shorter path than we had twelve months ago.

Andrew Moullin
Chief Executive Officer and Managing Director
Nanollose Limited

DIRECTORS' REPORT

The directors present their report, together with the financial statements of Nanollose Limited (referred to hereafter as the 'Company') for the year ended 30 June 2026.

BOARD OF DIRECTORS

The names and details of the Directors in office during the financial period and until the date of this report are set out below. Each Director was in office for the whole of the financial period, unless otherwise stated.

- Wayne Best Executive Chairman
- Winton Willesee Non-Executive Director
- Heidi Beatty Non-Executive Director (resigned on 1 April 2026)
- Andrew Moullin Managing Director (appointed on 14 July 2025)

PRINCIPAL ACTIVITIES

Nanollose Limited (ASX: NC6) ("Nanollose" or "the Company") is an advanced biomaterials company working to commercialise technology to create fibres, fabrics and other materials from microbial cellulose. During the financial year, the principal continuing activities of the Company consisted of research and development, and work required to scale the Company's microbial cellulose technologies.

Following a review of its product portfolio completed during the year, the Company narrowed its primary near-term focus to the development, scale-up and commercialisation of Nullarbor™, its Forest-Friendly man-made cellulosic fibre (MMCF) for textile applications.

DIVIDENDS PAID OR RECOMMENDED

There were no dividends declared or paid during the financial year (2025 Nil).

OPERATING RESULTS

During the year, the principal continuing activities of the Company consisted of research and development, and work associated with scaling the Company's microbial cellulose technologies. The loss for the Company after providing for income tax amounted to $2,394,032 (30 June 2025: $1,426,452).

The overall loss for the period includes $672,027 of options, which was an increase from $40,000 during the prior corresponding period. This expense is non-cash and represents the grant date fair value of options and performance rights issued during the year, recognised in accordance with Australian Accounting Standards. Excluding share-based payments, the loss increased by $335,553, or 24%, reflecting the higher level of process development activity undertaken following the fourth pilot spin, the commencement of onshoring the Company's analytical and testing capability, and the expansion of the Company's engineering and operations capability. Research expenses increased 18% to $817,828 (30 June 2025: $695,780).

Net cash used in operating activities was $1,795,946 (30 June 2025: $1,098,548). This included ~$350,000 of liabilities carried at 30 June 2025 and settled in July 2025.

At 30 June 2026, the Company held cash and cash equivalents of $1,332,134 (30 June 2025: $617,318). The Company received a rebate of $311,000 under the Federal Government Research and Development Tax Incentive during the year and repaid in full the $200,000 short-term borrowing drawn during the December 2025 quarter.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

The structure of a tree is <50% cellulose, and huge areas of forest are logged every year so that cellulose can be turned into a variety of products including high-quality textiles. Bacterial cellulose is created by a natural fermentation process, not unlike growing sourdough bread or kombucha. In fact the bacteria used to create Kombucha, if used differently, transforms food waste, agricultural waste and by-products into >99% pure cellulose (bacterial or microbial cellulose), a 'Tree-Free' alternative to traditional cellulose. The Company uses microbial cellulose as an input for Nullarbor™ fibre, in which it is processed prior to being incorporated into a conventional lyocell process.

During FY2026 the Company completed its fourth pilot production spin, implemented substantial improvements to its production process, commenced onshoring its analytical and testing capability, strengthened its engineering and operations capability, and resolved on the pathway to its first dedicated production facility. Each of these matters is set out below.

Strategic focus

During the year the Company narrowed its primary near-term focus to Nullarbor™ fibre as its flagship commercial pathway. The decision reflected an assessment of the Company's resources and a judgement as to the most direct pathway to commercialisation. Rather than pursuing multiple product opportunities simultaneously, Nanollose elected to concentrate its capital and technical resources on delivering scale in the regenerated cellulosic fibre market, a market estimated at ~US$20 billion and growing.

Nanollose's technology is complementary to the existing cellulosic fibre industry. It is designed to serve as an incremental, fungible feedstock that producers can incorporate into existing lyocell infrastructure without discarding capital-intensive equipment. This lowers the barrier to adoption and underpins the Company's value creation strategy, which is to achieve industrial-scale deployment through licensing, sale or joint venture rather than by building industrial production capacity itself. That strategy has not changed.

What did change during the year was the Company's view of the infrastructure it must build itself to reach that outcome, and where and by whom that infrastructure would be built. The Company had previously contemplated a two-stage manufacturing pathway, constructing a pilot line and subsequently a separate, larger demonstration production line, and in the March 2026 quarter, described a capital-light, partner-backed approach to that build.

Following the process improvements and engineering work completed during the year, the Board formed a different view on both points. Nanollose now expects that a single Pilot Facility to produce microbial cellulose pulp (***Pilot Facility***) will generate the production data and material volumes required for meaningful customer engagement and to support discussions with future partners or purchasers, removing the previously anticipated requirement for a subsequent demonstration line. Equipment is being selected so that data generated at the Pilot Facility can be extrapolated to industrial scale. The Board has also concluded that the Company should build and control that facility itself, in Western Australia.

In reaching that decision the Board weighed the near-term requirements of building the facility itself against the cost of delay. The Board considered that, for a pre-revenue company, a shorter development timetable reduces the cumulative cost of operating prior to revenue, and that direct control of the facility and process provides faster iteration and greater protection of the Company's process know-how. On that basis the Board considered the single-facility pathway, built and controlled by the Company, to provide a shorter route to commercial engagement and to reduce total pre-revenue operating cost relative to the two-stage, partner-backed pathway previously contemplated. The Company's relationships with its international development partners are unaffected by this decision.

The decision concerns how and where the Pilot Facility is built and controlled. Costs incurred in the near term are being borne by the Company. The funding approach for the program has not been determined, and will be considered as the facility's cost and configuration are established through the equipment tender and costing process.

The Company's other product opportunities - including the Biollose™ horticultural media platform and the emerging animal-free and plastic-free leather-like material — remain of interest and the associated intellectual property continues to be maintained. However, these programs have not been the focus of the Company's attention during the period since the strategic review, and are not expected to be a primary focus in the near term.

Operational overview:

Fourth pilot production spin of Nullarbor™ fibre

In February 2026 (refer ASX announcement: 27 February 2026), the Company completed the fourth pilot production spin of its proprietary Nullarbor™ Forest-Friendly lyocell fibre, undertaken with strategic partner Birla Cellulose in India.

The spin utilised a 200kg batch of processed microbial cellulose and yielded 580kg of fibre, comprising 425kg of Nullarbor-25™ and 155kg of Nullarbor-30™, containing 25% and 30% microbial cellulose respectively with the balance FSC-certified wood pulp. This was the Company's largest single production run to date.

The fourth spin represented the first full validation of Nanollose's microbial cellulose acting as an incremental, fungible feedstock within Birla Cellulose's lyocell process without the need for additional pre-processing by Birla. Dissolution and spinnability trials confirmed microbial cellulose as an incremental feedstock, materially lowering the barrier to industry adoption.

Process development and efficiency improvements

Following completion of the pulp preparation stages of the fourth pilot spin, Nanollose undertook extensive in-house work to identify and implement improvements to its production process. Under conservative assumptions and at laboratory scale, the improved process is at least 80% more efficient than the method used for the fourth pilot spin, while producing a more uniform, higher-quality material. The Company also removed an entire stage from its production sequence, reducing cost and simplifying operations (refer ASX announcement: 22 April 2026).

The resulting process is characterised by fewer stages, fewer inputs and a significantly shorter pathway than conventional cellulosic fibre manufacturing. Product uniformity, which is important to ongoing customer engagement, also improved.

Washing, dewatering and dissolution

With significantly improved efficiency, the Company's engineering focus moved to the washing, dewatering and drying of microbial cellulose at scale. International equipment evaluation trials commenced during the year, with initial trials completed in the United Kingdom.

Later successful trials established a viable technical pathway for dewatering microbial cellulose and preparing the material for final stages. Following testing with Nanollose's material, the vendor indicated that its technology can address this stage, subject to further validation regarding throughput. The next phase is a trial using a significantly larger volume to determine the appropriate equipment size and operating parameters. This work has shifted the focus from establishing whether the technology can process Nanollose's material to defining the required equipment configuration and capacity.

The Company also completed a successful trial with an equipment supplier in Europe to assess washing at scale. Following testing with Nanollose's material, the supplier communicated high confidence that the laboratory results will scale to pilot equipment and on to the largest industrial equipment.

Nanollose continued to refine how its material behaves in the Lyocell process, and prepared material for technical validation in India. An updated analytics protocol has been reviewed.

Pathway to a dedicated Pilot Facility

On 22 April 2026 the Company announced progress toward its first dedicated microbial cellulose pulp production facility, including the successful completion of initial equipment trials, a global tender process for the remaining process modules, and the removal of an entire production stage. The Company's objective is a facility capable of producing sufficient pulp to support multiple tonnes of Nullarbor™ fibre per month, a volume and continuity threshold to underpin formal collaboration agreements with industry participants.

As described under Strategic focus above, the Board concluded during the year that a single Pilot Facility, built and controlled by the Company in Western Australia, represents a shorter and ultimately less costly pathway than the two-stage, partner-backed build previously contemplated. Establishing the Pilot Facility is the Company's principal operating objective for FY2027. Its cost and configuration are being established through an equipment tender and costing process, and the facility is being costed and procured in stages, allowing expenditure to be committed progressively as the program advances rather than in a single tranche.

Onshoring of development capability

During the June 2026 quarter, the Company commenced onshoring its core production, analytics and testing capability into Australia, with the aim of more direct control over the pace of development and the ability to dispatch material for equipment evaluation. Initial analytics equipment became operational during the quarter and further key equipment should arrive in the September 2026 quarter. The equipment will support process optimisation, preparation of material for vendor trials and the collection of the operating data required to define equipment specifications, sourcing options and engineering parameters for the Pilot Facility.

The Company also progressed site selection for larger, fit-for-purpose premises in Western Australia to house the incoming equipment, expanded team and pilot-scale capability. Establishing this capability locally may improve the Company's access to non-dilutive research and development grant funding opportunities tied to Australian research and development activity, which the Company is pursuing with an advisor.

Work which previously depended on offshore partners and third-party laboratories will increasingly be undertaken by Nanollose directly, shortening development cycles and increasing the Company's control over its technical program.

Strengthened engineering and operations capability

The Company appointed Ms Danielle Nardini as Operations and Engineering Manager during the June 2026 quarter, with Ms Nardini commencing in July 2026. Ms Nardini brings more than 16 years of engineering and operations experience, including leading the transition of emerging technology from prototype to commercial deployment. At global engineering group Sandvik she supported the scale-up of battery-electric mining systems from prototype to field-ready commercial deployment across North America and Australia, and she most recently led greenhouse gas modelling and emissions reporting as Sustainability Principal at Sandfire Resources. She holds a Master's degree and a BSc in Industrial Engineering.

Downstream processing, partner and customer engagement

Following the fourth pilot spin, Nullarbor™ fibres were shipped to Paradise Textiles, the innovation hub of global textiles company Alpine Group and a long-term co-development partner, for conversion into yarns and fabrics for distribution to commercial development partners and potential customers for testing and evaluation. The Company is awaiting completion of that process.

During the June 2026 quarter, the Company received a request from a high-profile international brand for a 50kg sample of a specialised fibre grade that sits outside its core commercial pathway. The Company is endeavouring to fulfil this request using its existing process. The grade requested is technically challenging and success is not a prerequisite for the broader commercial viability of Nullarbor™ fibre. The enquiry nonetheless demonstrates genuine interest in the technology.

Nufolium™ fibre conversion with Magnera and Codi Group

Early in the financial year, and prior to the portfolio review described above, the Company reported a milestone in its nonwovens program. On 2 July 2025, Nanollose advised that its product development partner Magnera Corporation (NYSE: MAGN) had successfully converted a 110kg batch of Nufolium-20™ fibre into rolls of nonwoven fabric. Magnera shipped that material to Codi Group, a European wet wipes manufacturer supplying more than 40 countries, to produce sample batches of wet wipes incorporating Nufolium-20™ fibre under the cooperation arrangement announced in September 2024.

Intellectual property

The Company continued to strengthen its global intellectual property portfolio during the year, including national phase patent filings in 12 jurisdictions for its Biollose™ technology and new patent grants in Japan, Canada and South Korea across its lyocell, viscose and horticultural media patent families (refer ASX announcement: 22 January 2026). At 31 March 2026 the portfolio comprised 15 granted patents and 8 registered trademarks across four patent families.

Corporate overview:

Capital management

On 1 August 2025, the Company secured firm commitments from fund manager Fiftyone Capital Pty Ltd, an existing substantial shareholder, to raise $750,000 through the early exercise of 30 million existing options, received in three tranches between September 2025 and March 2026. As part of that transaction, Fiftyone Capital principal Mr Scott Williams was appointed as Corporate Advisor for a 12-month term.

The Company received further funding through the conversion of options during the year, and received a rebate of $311,000 under the Federal Government Research and Development Tax Incentive during the March 2026 quarter. The Company repaid in full the $200,000 short-term borrowing drawn during the December 2025 quarter.

Since 1 April 2026, the Company has raised $1.58 million in new funding through the conversion of unlisted options exercisable at $0.025 and $0.05 per option (refer ASX announcement: 6 May 2026). The $0.025 options were issued as part of the Company's strategic capital raise undertaken in the December 2024 quarter (refer ASX announcement: 13 December 2024).

The Company had 29,405,000 listed options exercisable at $0.05 per option on issue, expiring 6 February 2027, which if exercised in full would provide approximately $1.47 million. Exercise of those options is at the election of the holders and is not assured.

The Pilot Facility is being costed and procured in stages, which allows expenditure to be committed progressively as the program advances rather than in a single tranche. The funding approach for the program as a whole has not been determined and will be considered as the facility's cost and configuration are established.

Board and management

Mr Andrew Moullin commenced as Chief Executive Officer and Managing Director on 14 July 2025. On 16 March 2026, Non-Executive Director Ms Heidi Beatty tendered her resignation from the Board, effective 1 April 2026. The Board thanks Ms Beatty for her contribution over more than six years. The Board continues to review its composition and capabilities as the Company progresses into a more capital-intensive phase of development.

Shareholder and market engagement

Throughout FY2026, the Company updated the market on its strategic review, capital position, preparation for and completion of the fourth pilot spin, intellectual property progress, process and Pilot Facility development, and quarterly financial performance.

DIRECTORS' REPORT

The Company's communications during the second half increasingly focused on the rationale for concentrating resources behind Nullarbor™, the technical work required to scale the process, and the milestones required to establish a dedicated Pilot Facility.

On 8 April 2026, the Chief Executive Officer issued a Letter to Shareholders setting out the Company's assessment of its position, the rationale for narrowing its focus to Nullarbor™ fibre, the market context for man-made cellulosic fibre, the technical challenges the Company was working to resolve, and a defined set of near-term objectives against which shareholders could measure progress. The Company reported against a number of those objectives in its announcement of 22 April 2026.

Nanollose's materials were also presented publicly during the year, including at the National Gallery of Victoria's 'Making Good: Redesigning the Everyday' exhibition and Perth's 'Circular in the Square' event. The displays included garments and textiles produced using Nullarbor™ and other materials from the Company's product portfolio.
The Company's focus during FY2026 was weighted toward operational and technical delivery. Broadening engagement with shareholders, the investment community and the wider industry is a priority for FY2027.

MATERIAL BUSINESS RISK

The Company is subject to a number of risks, some of which are specific to its business and others of which are general in nature. The Board monitors these risks as part of its oversight of the Company's strategy and operations. The risks described below are those the Directors consider material to the Company as at the date of this report. They are not exhaustive, and additional risks not presently known to the Company, or which the Company currently considers immaterial, may also adversely affect its operations, financial position and prospects.

Funding and liquidity risk.

The Company remains in the research and development phase and has not yet generated operating revenue. It therefore continues to incur losses while funding its development programs and is dependent on access to capital markets, non-dilutive grant funding and government incentives. The Board has resolved that the Company will build and control the Pilot Facility itself rather than through a partner-backed build, and costs incurred in the near term are being borne by the Company. The cost and configuration of the Pilot Facility have not yet been established and are being determined through an equipment tender and costing process, and the funding approach for the program as a whole has not been determined. The final capital requirement may exceed current expectations and is expected to require capital beyond the Company's existing cash reserves. The Company has listed options on issue which, if exercised in full, would provide further funds, however exercise is at the election of the holders, depends on the Company's share price exceeding the exercise price, and cannot be relied upon. There is no assurance that additional funding will be available on acceptable terms, or at all. Future capital raisings are likely to be dilutive to existing shareholders. If adequate funding is not obtained, the Company may need to delay, reduce or suspend parts of its development activities, which could adversely affect its financial position and prospects.

Scale-up and execution risk.

The process improvements achieved during FY2026 were demonstrated at laboratory scale under conservative assumptions. Results achieved at laboratory scale may not be replicated at pilot or industrial scale. The design, procurement, construction and commissioning of the Pilot Facility involves risks as to cost, timing, equipment availability and lead times, contractor and vendor performance, site selection and tenure, utilities and services, and the securing of any necessary approvals. As at the date of this report, no commitment has been made to any equipment supplier and equipment selection remains subject to tender, costing and design option review. The Company's revised approach also assumes that data generated at the Pilot Facility can be extrapolated to industrial scale in a manner acceptable to prospective partners or purchasers; if a future counterparty requires demonstration at a larger scale, additional capital and time would be required. Delays or cost overruns could materially affect the Company's development timetable and funding requirements.

Product concentration risk.

Following the strategic review completed during FY2026, the Company has concentrated its capital and technical resources on a single flagship product pathway in Nullarbor™ fibre. While the Board considers this the most effective use of the Company's resources, it reduces diversification. If Nullarbor™ fibre does not achieve technical or commercial acceptance, the Company would have reduced alternative near-term revenue pathways, and the other product programs it has deprioritised may require material further investment and time before they could be advanced.

Reliance on third parties.

The Company depends on third parties across its development pathway, including its microbial cellulose supply partner in China, its lyocell pilot production partner in India, downstream conversion partners, and international equipment vendors and engineering consultants. Many of these arrangements are not exclusive and some are not the subject of long-form binding agreements. The loss of a key partner, a change in a partner's strategic priorities, a failure of a partner to perform, or an inability to agree commercial terms could delay or prevent the Company from achieving its objectives.

Commercialisation and offtake risk.

The Company has not entered into binding commercial supply, licensing or offtake arrangements for Nullarbor™ fibre. Its near-term value creation pathway contemplates licensing or a strategic transaction with larger industry participants. Partner and customer evaluation processes in the textile industry are lengthy and there is no assurance that current engagement, including sample requests and material evaluations, will convert into binding agreements, or that any such agreements will be on terms favourable to the Company.

International operations and supply chain risk.

A material part of the Company's development activity is conducted outside Australia, including in China, India, the United Kingdom and Europe. The Company is therefore exposed to cross-border logistics, customs and shipping delays, foreign exchange movements, changes in trade policy, tariffs and export controls, differing legal and regulatory regimes, and broader geopolitical developments. These factors are largely outside the Company's control and may delay or increase the cost of its programs.

Intellectual property risk.

The Company's value is substantially dependent on its intellectual property portfolio and its know-how. Patent applications may not proceed to grant, granted patents may be challenged, narrowed or circumvented, and protection is not sought in every jurisdiction. Elements of the Company's process are maintained as confidential know-how rather than registered rights, and the Company's work with international partners and vendors necessarily involves disclosure of technical information. Enforcement of intellectual property rights can be costly and uncertain, particularly across multiple jurisdictions.

Key personnel risk.

The Company operates with a small team and its progress depends on a limited number of executives and technical personnel, including recently appointed engineering and operations capability. The loss of key personnel, or an inability to attract and retain suitably qualified process and chemical engineering expertise in a competitive Western Australian labour market, could adversely affect the Company's development program.

Competition and technology risk.

The man-made cellulosic fibre industry is subject to ongoing innovation, and other participants are pursuing alternative non-forestry feedstocks, recycled cellulose streams and competing process technologies, in some cases with substantially greater financial and technical resources than the Company. A competing technology may be commercialised earlier, at lower cost, or may be preferred by industry participants.

Regulatory, incentive and grant risk.

The Company has received, and expects to continue to seek, benefits under the Federal Government Research and Development Tax Incentive and is pursuing other non-dilutive grant funding. Eligibility criteria, program rules and assessment outcomes may change or may not be satisfied, and receipts may vary in amount and timing. Separately, demand for the Company's product is supported in part by regulatory developments such as the European Union's Deforestation Regulation; changes in the scope, timing or enforcement of such measures could affect the pace of industry adoption.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the financial year the Company completed a review of its product portfolio and narrowed its near-term focus to Nullarbor™ fibre, and resolved to pursue a single dedicated Pilot Facility, built and controlled by the Company in Western Australia, in place of the two-stage, partner-backed manufacturing model previously contemplated. The Company also commenced onshoring its core production, analytics and testing capability into Australia.

Other than as detailed in the review of operations, there were no other significant changes in the state of affairs of the Company during the financial year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 21 August 2026, the Company announced an expansion of its engineering capability and an update on the development of the Pilot Facility. The Company engaged two consultants to support its scale-up activities: Mr Peter Hillier, a founder and lead process engineer with more than 15 years of process engineering and scaling experience across large multinationals and start-ups; and Dr Jacob Brown, who holds a PhD in chemical engineering from the University of Cambridge, was previously a senior chemical engineer at Tesla developing manufacturing processes for electrode active materials, and is a founder of a company scaling and commercialising a novel metal extraction process. They join Operations and Engineering Manager Ms Danielle Nardini, who was appointed during the June 2026 quarter.

In the same announcement, the Company advised that equipment tendering for the Pilot Facility is underway and that it is costing the initial stages, with further detail on facility cost and configuration to be provided as that work progresses. Equipment trials run by a local dewatering and filtering consultant established a pathway for economic and scalable dewatering of microbial cellulose, with subsequent trials planned to validate throughput and establish equipment specifications for purchase. The Company continues to evaluate alternative equipment for the same process stage as a redundancy measure alongside design option reviews. No commitment has been made to any equipment supplier. Site selection for larger, fit-for-purpose premises in Western Australia to house the incoming equipment and the Pilot Facility is advanced.

The Company also confirmed that its development pathway has been refined to a single Pilot Facility, removing the previously anticipated requirement for a subsequent larger demonstration production line, and that the Pilot Facility will be funded by the Company in the near term.

Other than as noted above, no matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

OUTLOOK

FY2027 will be a year focused on delivery. The Company's principal operating objective is to establish and commission its first dedicated Pilot Facility for the production of microbial cellulose pulp. In support of that objective, the Company expects to complete the equipment tender and costing process and establish the facility's final cost and configuration, secure and fit out larger fit-for-purpose premises in Western Australia, complete the installation and commissioning of its onshore analytical and processing equipment, and complete larger-volume dewatering and washing trials to confirm throughput and finalise equipment specifications. The Company expects to disclose the Pilot Facility's cost and configuration as the tender and costing work concludes.

Alongside the facility program, the Company will continue to advance technical validation with its partners, including the dissolution work progressing with its Indian partner, and will seek to convert partner and customer evaluation of Nullarbor™ material into formal commercial arrangements. The Company will also continue to pursue non-dilutive research and development grant funding tied to its expanded Australian activity.

AGM

The Company anticipates that it will hold its next Annual General Meeting ('AGM') on or before 12 November 2026. In accordance with ASX Listing Rule 3.13.1, the closing date for the receipt of nominations from persons wishing to be considered for election as a director of the Company is 24 September 2026 (35 business days prior to the date of the AGM). Any nominations must be received in writing no later than 5.00pm (WST) on 24 September 2026, at the Company's registered office.

ENVIRONMENTAL REGULATION

The Company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

BOARD OF DIRECTORS

Wayne Best – Executive Chairman	
Experience and Expertise	Dr Best has 40 years' experience in organic chemistry both in academia, government and industry. Wayne obtained his BSc (Hons) and PhD in Organic Chemistry from The University of Western Australia. He then spent two years at Imperial College in the UK where he obtained a DIC, followed by a year at the Australian National University in Canberra. He then took up a position with ICI Australia's Research Group in Melbourne for four and a half years which included a secondment to ICI Agrochemicals in the UK. Following ICI, Wayne returned to Western Australia and spent ten years at the Chemistry Centre (WA) where he was responsible for the formation and running of the Medicinal & Biological Chemistry Section which undertook collaborative R&D into drug discovery and contract synthesis for the drug discovery and pharmaceutical industries. He then founded Epichem Pty Ltd, a contract research and drug discovery Company, which he managed for 14 years before moving full-time to Nanollose in 2018. Wayne is a Fellow of the Royal Australian Chemical Institute and has held appointments as an Adjunct Associate Professor at both Murdoch University and The University of Western Australia. He is also a Graduate Member of the Australian Institute of Company Directors and has served as a Director for several listed and unlisted biotechnology companies. BSc (Honours), PhD, DIC, FRACI, GAICD
Other Current Directorships	None
Former Directorships in last 3 years	None
Special Responsibilities	Executive Chairman of the Board
Interests in Shares and Options	22,400,000 ordinary shares 1,200,000 listed $0.05 options expiring 6 February 2027 2,500,000 unlisted options expiring 30 April 2028

Winton Willesee – Non-Executive Director	
Experience and Expertise	Mr Willesee is an experienced company director with over 20 years' experience in various roles within the Australian capital markets. Mr Willesee has considerable experience with ASX listed and other companies over a broad range of industries having been involved with many successful ventures from early stage through to large capital development projects. He has a core expertise in strategy, company development, corporate governance, company public listings, merger and acquisition transactions and corporate finance. Mr Willesee holds a Master of Commerce, a Post-Graduate Diploma in Business (Economics and Finance), a Graduate Diploma in Applied Finance and Investment, a Graduate Diploma in Applied Corporate Governance, a Graduate Diploma in Education and a Bachelor of Business. He is a Fellow of the Financial Services Institute of Australasia, a Graduate of the Australian Institute of Company Directors, a Member of CPA Australia and a Fellow of the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators/Chartered Secretary. BBus, DipEd, PGDipBus, MCom, FFin, CPA, GAICD, FGIS/FCIS

Other Current Directorships	Non-Executive Director of One Click Group Limited (ASX:1CG) (appointed 3 October 2020) Non-Executive Director of KTEK Aerosystems Limited (ASX:KTK) (Appointed 20 March 2026)
Former Directorships in last 3 years	Non-Executive Director of Neurotech International Limited (ASX: NTI) (From 15 April 2019 to 19 April 2024) Non-Executive Director of Bridge SaaS Limited (ASX:BGE) (from 5 May 2023 to 18 January 2024)
Interests in Shares and Options	24,258,006 ordinary shares 1,200,000 listed $0.05 options expiring 6 February 2027 3,117,901 unlisted options expiring 30 April 2028

Heidi Beatty – Non-Executive Director (Resigned 1 April 2026)	
Experience and Expertise	Heidi Beatty, founder of Crown Abbey Ltd is a scientist and innovator who has 20 years' experience developing consumer and health care products. After gaining a BSc in Chemistry from the University of York UK, Heidi worked with Johnson & Johnson for 10 years in Europe and the US. In 2015 Heidi founded Crown Abbey Ltd, a consultancy company that supports clients in their project launches, combining Project Management and Product Development across Consumer and Healthcare categories
Other Current Directorships	None
Former Directorships in last 3 years	None
Interests in Shares and Options	68,504 ordinary shares 1,000,000 unlisted options expiring 3 December 2028

Andrew Moullin – Managing Director and CEO (Appointed on 14 July 2025)	
Experience and Expertise	Mr Moullin is an experienced executive with over two decades in legal, commercial, and corporate leadership roles. He brings a strong track record in strategic project execution, complex commercial negotiations, and robust corporate governance. Andrew has held senior roles at Iluka Resources Limited, DLA Piper, Macro Metals Limited, Fivemark Partners and CLSA, as well as founding and managing a range of other businesses. During these roles, Andrew has demonstrated considerable entrepreneurial success, delivered successful exits and assisted in work towards IPO readiness. His expertise encompasses M&A, project planning and execution, capital raisings, and investor relations initiatives. Andrew has a strong track record in identifying and developing new business opportunities and leading commercial teams. Andrew holds a Bachelor of Laws, a Bachelor of Arts (Psychology), a Graduate Diploma in Applied Finance, and he is a Graduate of the Australian Institute of Company Directors, and a Fellow of the Governance Institute of Australia.
Other Current Directorships	None
Former Directorships in last 3 years	None

Interests in Shares and Options	1,800,000 ordinary shares 30,000,000 unlisted options expiring 14 July 2028 6,000,000 performance rights expiring 14 July 2028

COMPANY SECRETARY

Timothy Barker – Joint Company Secretary	
Experience and Expertise	Tim holds a Bachelor of English Law and French Law (LLB) and a Master of Science in International Business Management (MSc).

DIRECTORS' MEETINGS

Attendances by each Director during the year were as follows:

Director	Number Eligible to Attend	Number Attended
Wayne Best	6	6
Winton Willesee	6	6
Andrew Moullin	6	6
Heidi Beatty	5	5

Eligible: represents the number of meetings held during the time the director held office.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration arrangements for the Company, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board, fulfilling the role of the Nomination and Remuneration Committee, is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Company depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Company.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having value creation and capital growth in advance of economic profit as a core component of plan design;
- focusing on sustained growth in shareholder wealth, consisting of growth in share price and eventually dividends, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- attracting and retaining high calibre executives.

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed from time to time by the Board fulfilling its role as the Nomination and Remuneration Committee. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not entitled to vote on the determination of his own remuneration. Given the nature of the Company and the more hands-on role the non-executive directors' play in the operations of the Company non-executive directors may receive share options or other incentives.

The ASX Listing Rules and the Company's Constitution provide that the aggregate annual non-executive directors' fees paid shall not exceed that determined by shareholders in a general meeting. The most recent determination was via a resolution of all shareholders on 5 June 2016, where the shareholders approved a maximum annual aggregate remuneration of $500,000.

Executive directors' remuneration

The Company aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed regularly by the Board fulfilling the role of Nomination and Remuneration Committee based on the overall performance of the Company and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other benefits where it does not create any additional costs to the Company and provides additional value to the executive.

The short-term incentives ('STI') program has yet to be finalised. Once adopted it will be designed to align the targets of the Company with the performance hurdles of executives. STI payments will be granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved.

The long-term incentives ('LTI') include equity-based payments. Equity securities are awarded to executives with vesting conditions and expiry dates aligned to the Company's business plans and targets. The details of the current vesting conditions and targets are as follows and further detailed in the section on service agreements found below.

Options

As at the date of this report, 10,000,000 NC6OPT12 options and 10,000,000 NC6OPT13 options remain unvested.

DIRECTORS' REPORT

Performance Rights

There are 6,000,000 performance rights currently on issue as at the date of this report.

Company performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Company. Each key management personnel held equity securities designed to incentivise them to drive the Company's performance in line with its business plans.

A portion of any cash bonus that may be paid to executives will be directly linked to the achievement of goals designed to align with the Company's performance.

Details of remuneration

Details of the remuneration of key management personnel of the Company during the year ended 30 June 2026 are set out in the following tables.

The key management personnel of the Company consisted of the following directors of Nanollose Limited:

Directors	
Wayne Best	Executive Chairman
Andrew Moullin	Managing Director & Chief Executive Officer (Appointed 14 July 2025)
Winton Willesee	Non-Executive Director
Heidi Beatty	Non-Executive Director (Resigned 1 April 2026)

DIRECTORS' REPORT

Key Management Personnel Compensation

The compensation of the Company's Key Management Personnel is disclosed below:

2026 Key Management Personnel	Cash Salary and fees	Super-annuation	Annual Leave	Long service leave	Options issued	Equity-settled Shares	Equity-settled Performance rights	Total	Fixed	Incentive
	($)	($)	($)	($)	($)	($)	($)	($)	(%)	(%)
DIRECTORS										
Executives:										
Wayne Best	241,667	29,000	109	-	-	-	-	270,776	100%	-
Andrew Moullin[1]	257,669	30,920	11,641	-	518,165	-	54,942	873,337	34%	66%
Non-executives:										
Winton Willesee	51,667	-	-	-	-	-	-	51,667	100%	-
Heidi Beatty[2]	45,000	-	-	-	25,179	-	-	70,179	64%	36%
TOTAL	**596,003**	**59,920**	**11,750**	**-**	**543,344**	**-**	**54,942**	**1,265,959**		

[1] Appointed 14 July 2025

[2] Resigned 1 April 2026

2025 Key Management Personnel	Cash Salary and fees	Super-annuation	Annual Leave	Long service leave	Options issued	Equity-settled Shares	Equity-settled Performance rights	Total	Fixed	Incentive
	($)	($)	($)	($)	($)	($)	($)	($)	(%)	(%)
DIRECTORS										
Executives:										
Wayne Best	225,000	25,875	21,075	32,253	-	-	-	304,203	100%	-
Non-executives:										
Winton Willesee	14,583	-	-	-	-	20,417*	-	35,000	100%	-
Heidi Beatty	35,000	-	-	-	-	-	-	35,000	100%	-
TOTAL	**274,583**	**25,875**	**21,075**	**32,253**	**-**	**20,417**	**-**	**374,203**		

*Issued shares in lieu of director fees

DIRECTORS' REPORT

Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Wayne Best
Title:	Executive Chairman
Agreement commenced:	10 April 2018
Term of agreement:	No fixed term
Details:	The remuneration of Dr Wayne Best is $267,500 per year plus statutory superannuation from 1 July 2025 (Decreased to $112,500, as approved by the Board and effective from 1 May 2026).

Name:	Andrew Moullin
Title:	Managing Director & Chief Executive Officer (Appointed 14 July 2025)
Agreement commenced:	14 July 2025
Term of agreement:	No fixed term
Details:	The remuneration of Andrew Moullin is $267,000 per year plus statutory superannuation.

Name:	Winton Willesee
Title:	Non-Executive Officer
Agreement commenced:	18 October 2017
Term of agreement:	No fixed term
Details:	The remuneration of Winton Willesee is $60,000 per year (Decreased to $35,000 effective from 1 March 2026).

Name:	Heidi Beatty
Title:	Non-Executive Officer (Resigned 1 April 2026)
Agreement commenced:	8 July 2019
Term of agreement:	No fixed term
Details:	The remuneration of Heidi Beatty is $60,000 per year.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

During the financial year, shareholders approved the issue of the following options and performance rights to Directors:

Options	**Andrew Moullin[1]**	**Heidi Beatty[2]**
Number of options	30,000,000	1,000,000
Grant date	14 July 2025	7 November 2025
Share price at grant date	$0.047	$0.045
Options value	$639,988	$25,179
Expenses in the period	$518,165	$25,179

Performance rights		
Number of performance rights	6,000,000	-
Share price at grant date	$0.047	-
Performance rights value	$171,402	-
Expenses in the period	$54,943	

[1] On 14 July 2025, 30,000,000 options and 6,000,000 performance rights were issued to Andrew Moullin in connection with his appointment as CEO and Managing Director. The options and performance rights vest from 14 July 2025, subject to the achievement of certain performance milestones by 14 July 2028.

[2] On 7 November 2025, shareholders approved the issue of 1,000,000 options to Heidi Beatty in her capacity as a Director. The options were issued and vested on 3 December 2025.

Additional information

The loss of the Company for the five years to 30 June 2026 are summarised below:

	2026 ($)	2025 ($)	2024 ($)	2023 ($)	2022 ($)
Sales revenue	-	-	12,501	38,101	-
EBITDA	(2,371,601)	(1,357,998)	(1,103,206)	(1,324,799)	(1,505,105)
EBIT	(2,386,167)	(1,393,830)	(1,139,118)	(1,361,568)	(1,570,109)
Loss after income tax	(2,394,032)	(1,426,452)	(1,156,553)	(1,345,656)	(1,566,504)

The factors that are considered to affect total shareholders return ('TSR') are summarised below.

	2026	2025	2024	2023	2022
Share price at financial year end ($)	0.050	0.067	0.025	0.055	0.071
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(0.72)	(0.69)	(0.72)	(0.90)	(1.05)

Additional disclosures relating to key management personnel

Shareholdings

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions/ Disposal	Disposal on resignation	Balance at the end of the year
Ordinary shares					
Wayne Best	22,400,000	-	-	-	22,400,000
Andrew Moullin	1,700,000		100,000		1,800,000
Winton Willesee	24,858,006	-	(600,000)	-	24,258,006
Heidi Beatty	68,504	-	-	-	68,504
Total	**49,026,510**	**-**	**(500,000)**	**-**	**48,526,510**

Option holdings

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Issued	Exercised	Expired/ disposal on resignation	Balance at the end of the year
Options over ordinary shares					
Wayne Best	3,700,000	-	-	-	3,700,000
Andrew Moullin	30,000,000	-	-	-	30,000,000
Winton Willesee	4,317,901	-	-	-	4,317,901
Heidi Beatty	-	1,000,000	-	-	1,000,000
Total	**38,017,901**	**1,000,000**	**-**	**-**	**39,017,901**

Performance Rights holdings

The number of performance rights in the Company held during the financial year by each director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Issued	Converted	Lapsed / other	Balance at the end of the year
Rights to Ordinary shares					
Andrew Moullin	6,000,000	-	-	-	6,000,000
Total	**6,000,000**	**-**	**-**	**-**	**6,000,000**

Other transactions with key management personnel and their related parties during the financial year

(i) Receivable from and payable to key management personnel and their related parties are as follows:

The following balances are outstanding at the reporting date in relation to transactions with key management personnel and their related parties:

	2026	2025
	$	**$**
Payable to Epichemistry Pty Ltd (director related entity of Winton Willesee and Wayne Best)	850	6,484
Payable to Azalea Corporate Services Pty Ltd (director related entity of Winton Willesee)	-	49,501

(ii) Transactions with key management personnel and their related parties

Payments to Epichemistry Pty Ltd (director related entity of Wayne Best and Winton Willesee) of $17,100 (2025: $14,336) for performing chemical research and analysis.

Payments to Azalea Corporate Services Pty Ltd (director related entity of Winton Willesee) of $135,600 (2025: $121,000) for bookkeeping and financial reporting services fees, corporate services fees including company secretarial services, and front and registered office services.

All transactions were made on normal commercial terms and conditions and at market rates.

Use of remuneration consultants
During the year, the Company did not engage any remuneration consultants.

Voting and comments made at the Company's 2025 Annual General Meeting ('AGM')

At the AGM held on 7 November 2025, the Company received votes representing 21,435,221 shares in favour of the adoption of the remuneration report put to shareholders for the financial year ended 30 June 2025. This represented 91.43% of the votes cast on that resolution.

This is the end of the Audited Remuneration Report.

SHARES

As at the date of this report, there are 408,954,364 (2025: 305,069,038) fully paid ordinary shares on issue.

Options on issue

Unissued ordinary shares of Nanollose Limited under option as at the date of this report are as follows:

Date of issue	Class of option	No. of Options	Exercise price	Expiry date
6 February 2024	NC6OB	29,405,000	$0.05	6 February 2027
30 April 2025	NC6OPT11	9,638,892	$0.025 to $0.045	30 April 2028
30 May 2025	NC6OPT12	15,000,000	$0.07	14 July 2028
30 May 2025	NC6OPT13	15,000,000	$0.10	14 July 2028
11 June 2025	NC6OPT14	2,500,000	$0.05	6 February 2027
3 December 2025	NC6OPT16	1,000,000	$0.066	3 December 2028
27 February 2026	NC6OPT17	1,000,000	$0.10	31 January 2029
Total		**73,543,892**		

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Performance rights on issue

6,000,000 Performance Rights were issued to Andrew Moullin as the CEO and Managing Director commencing on 14 July 2025. The performance rights vest from the 14 July 2025 and based on the achievement of certain milestones by 14 July 2028.

Indemnity and insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 16 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in Note 16 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

Corporate Governance

The Company’s 2026 Corporate Governance Statement is contained in the ‘Corporate Governance’ section of the Company’s website at https://nanollose.com/about/corporate-governance/.

Auditor’s Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' Report.

Auditor

RSM Australia Partners continues in office in accordance with Section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

Signed on behalf of the Board of Directors.

Winton Willesee
Non-Executive Director
Dated at Perth, Western Australia
31 August 2026

RSM Australia Partners

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T +61 (0) 8 9261 9100

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Nanollose Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA

AWhyte

Perth, WA
Dated: 31 August 2026

ALASDAIR WHYTE
Partner

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	30 June 2026 ($)	30 June 2025 ($)
Revenue			
Interest income		3,543	2,344
R&D incentives		311,062	231,593
Other income		-	9,601
		314,605	243,538
Expenses			
Research expenses	4	(817,828)	(695,780)
Promotion and communication expenses		(157,583)	(148,819)
Consultancy and legal expenses		(127,632)	(138,761)
Employee benefits expense	4	(552,620)	(299,975)
Depreciation and amortisation		(14,566)	(35,832)
Share-based payments	13	(672,027)	(40,000)
Other expenses		(354,973)	(275,585)
Interest expense		(11,408)	(34,966)
Foreign exchange losses		-	(272)
(LOSS) BEFORE INCOME TAX		**(2,394,032)**	**(1,426,452)**
Income tax benefit	5	-	-
(LOSS) AFTER INCOME TAX		**(2,394,032)**	**(1,426,452)**
Other comprehensive income/(loss)		-	-
Total comprehensive (loss) for the year		**(2,394,032)**	**(1,426,452)**
Basic loss per share (cents per share)	24	**(0.72)**	**(0.69)**
Diluted loss per share	24	**(0.72)**	**(0.69)**

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Notes	30 June 2026 ($)	30 June 2025 ($)
CURRENT ASSETS			
Cash and cash equivalents	6	1,332,134	617,318
Trade and other receivables		21,366	46,814
Prepayments		64,496	63,429
TOTAL CURRENT ASSETS		1,417,996	727,561
NON-CURRENT ASSETS			
Right of use asset	7	-	12,183
Plant and equipment	8	5,661	8,044
TOTAL NON-CURRENT ASSETS		5,661	20,227
TOTAL ASSETS		1,423,657	747,788
CURRENT LIABILITIES			
Trade and other payables	9	147,169	232,380
Provisions	10	71,062	105,911
Lease liability	11	-	13,086
Borrowings		7,172	-
TOTAL CURRENT LIABILITIES		225,403	351,377
TOTAL LIABILITIES		225,403	351,377
NET ASSETS/(LIABILITIES)		**1,198,254**	**396,411**
EQUITY			
Issued capital	12	11,284,325	8,760,477
Reserves	13	4,538,225	3,866,198
Accumulated Losses	14	(14,624,296)	(12,230,264)
TOTAL EQUITY		**1,198,254**	**396,411**

The Statement of Financial Position is to be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2026

	Issued Capital ($)	Reserves ($)	Accumulated Losses ($)	Total Equity ($)
Balance as at 1 July 2025	**8,760,477**	**3,866,198**	**(12,230,264)**	**396,411**
Total comprehensive loss for the year	**-**	**-**	(2,394,032)	(2,394,032)
Transactions with owners in their capacity as owners:				
Share issued	-	-	-	-
Exercise of options	2,640,008	-	-	2,640,008
Share issued costs	(116,160)	-	-	(116,160)
Performance rights issued to director	-	54,942	-	54,942
Options issued to director	-	543,344	-	543,344
Options issued to employee	-	73,741	-	73,741
Balance as at 30 June 2026	**11,284,325**	**4,538,225**	**(14,624,296)**	**1,198,254**

The Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Issued Capital ($)	Reserves ($)	Accumulated Losses ($)	Total Equity ($)
Balance as at 1 July 2024	**9,478,454**	**1,101,666**	**(10,803,812)**	**(223,692)**
Total comprehensive loss for the year	**-**	**-**	(1,426,452)	(1,426,452)
Transactions with owners in their capacity as owners:				
Share issued	2,122,708	-	-	2,122,708
Exercise of options	9,836	-	-	9,836
Share issued costs	(2,850,521)	-	-	(2,850,521)
Options issued to broker	-	2,764,532	-	2,764,532
Balance as at 30 June 2025	**8,760,477**	**3,866,198**	**(12,230,264)**	**396,411**

The Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2026

	Notes	30 June 2026 ($)	30 June 2025 ($)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		25,448	(31,806)
R&D incentive received		311,062	231,593
Payments to suppliers and employees		(2,132,591)	(1,265,713)
Interest paid		(3,408)	(34,966)
Interest received		3,543	2,344
NET CASH USED IN OPERATING ACTIVITIES	22	**(1,795,946)**	**(1,098,548)**
CASH FLOWS FROM INVESTING ACTIVITIES			
NET CASH FROM INVESTING ACTIVITIES		**-**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,580,098	1,732,544
Payment of share issue costs		(56,250)	(125,989)
Repayment of lease liability		(13,086)	(29,444)
NET CASH FROM FINANCING ACTIVITIES		**2,510,762**	**1,577,111**
Net increase in cash and cash equivalents		**714,816**	**478,563**
Cash and cash equivalents at beginning of financial year		617,318	138,755
Cash and cash equivalents at end of financial year	6	**1,332,134**	**617,318**

The Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION

The primary accounting policies adopted in the preparation of the Financial Statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Company:

a. Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

b. Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, certain financial assets and liabilities.

c. Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Company incurred a loss of $2,394,032 and had net cash outflows from operating activities of $1,795,946 for the financial year ended 30 June 2026.

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to generate sufficient cash inflows from operations, by raising additional capital from equity markets and managing cash flows in line with available funds.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The directors believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern and that it is appropriate for it to adopt the going concern basis in the preparation of the financial report after consideration of following factors:

- The Company has the ability to issue additional equity securities under the Corporations Act 2001 to raise further working capital;

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

- The Company expects to receive a R&D tax incentive related to its R&D activities for the year ended 30 June 2026 upon lodgement of its claim. The Company has the option of taking a loan against its R&D incentive payments;
- The Company has the option to minimise administrative, discretionary research expenses and overhead cash outflows as and when required; and
- The Company has prepared an internal budget that supports this proposition.

Accordingly, the Board believes that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company does not continue as a going concern.

Comparative information

Comparative figures have been amended where required to ensure consistent classification with the current year.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Nanollose Limited's functional and presentation currency.

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest income is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Company has applied the simplified approach of measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line or diminishing balance basis to write off the net cost of each class of plant and equipment over their expected useful lives as follows:

Plant and equipment	3-5 years	diminishing balance
Leasehold improvements	4 years	straight-line

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; that the Company is able to use or sell the asset; the Company has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using an appropriate option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying an appropriate option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

Assets and liabilities measured at fair value are classified into three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2026. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations, most relevant to the entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)

before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Company will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

NOTE 2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Management has applied a probability estimate to the vesting conditions being met, since the Company was unable to reliably measure the fair value of the services received. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

NOTE 3. OPERATING SEGMENTS

Primary Reporting Format – Business Segments

The Company has one geographical location which is Australia. The Company's sole operations are research and development, and promotion of the Company's nanocellulose technology from that location.

Identification of reportable operating segments

The operating segment identified is based on the internal reports that are reviewed and used by the Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments. The CODM reviews EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements. The information reported to the CODM is on at least a quarterly basis.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4. EXPENSES

Research expenses

	30 June 2026 ($)	30 June 2025 ($)
Employee benefits expenses	418,819	409,260
Consultants and other expenses	399,009	286,520
	817,828	**695,780**

Employee benefits expenses

Employee benefits expense has been allocated based on the nature of activities performed by employees in profit or loss.

	30 June 2026 ($)	30 June 2025 ($)
Total employee benefits expenses	971,439	709,235
Allocated to:		
Research and development	(418,819)	(409,260)
	552,620	**299,975**

Net employee benefits expense after research and development costs represent corporate and administrative employee benefit expenses.

NOTE 5. INCOME TAX EXPENSE

	30 June 2026 ($)	30 June 2025 ($)
Reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense from continuing operations	(2,394,032)	(1,426,452)
Tax benefit at the statutory tax rate of 30% (2025: 30%)	718,210	427,934
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-assessable income	-	-
Other non-deductible expenses	(448,173)	(86,464)
	270,037	341,470
Future tax benefit not recognised	(270,037)	(341,470)
Income tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS

Unrecognised deferred tax balances

The Company does not currently recognise any deferred tax asset arising from its tax losses. The Directors estimate that the potential deferred tax assets at 30% not brought to account attributable to tax losses carried forward at reporting date is approximately $2,478,546 (2025: $2,208,509).

The losses have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable. The benefit of these deferred tax assets will only be obtained if:

(1) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;
(2) the Company continues to comply with the conditions for deductibility imposed by tax legislation; and
(3) no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the temporary differences.

NOTE 6. CASH AND CASH EQUIVALENTS

	30 June 2026 ($)	30 June 2025 ($)
Cash at bank	1,312,134	597,318
Term deposit [1]	20,000	20,000
	1,332,134	617,318

[1] Term deposit amount includes $20,000 used as security for credit cards.

NOTE 7. RIGHT OF USE ASSET

	30 June 2026 ($)	30 June 2025 ($)
Right of use asset	211,668	211,668
Accumulated depreciation	(211,668)	(199,485)
	-	12,183
Right of use asset		
Opening balance	211,668	211,668
Additions	-	-
Closing balance	211,668	211,668
Accumulated depreciation		
Opening balance	(199,485)	(170,246)
Amortisation expense	(12,183)	(29,239)
	(211,668)	(199,485)
	-	12,183

NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. PLANT AND EQUIPMENT

	30 June 2026 ($)	30 June 2025 ($)
Plant and equipment – at cost	86,600	86,600
Accumulated depreciation	(85,272)	(84,328)
	1,328	2,272
Leasehold improvements – at cost	58,251	58,251
Accumulated depreciation	(53,918)	(52,479)
	4,333	5,772
	5,661	8,044

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Plant and equipment ($)	Leasehold improvements ($)	Total ($)
Balance at 30 June 2025	2,272	5,772	8,044
Depreciation expense	(944)	(1,439)	(2,383)
Balance at 30 June 2026	1,328	4,333	5,661

NOTE 9. TRADE AND OTHER PAYABLES

	30 June 2026 ($)	30 June 2025 ($)
Trade payables	57,987	166,346
Other payables	89,182	66,034
	147,169	**232,380**

Refer to Note 23 for further information on financial instruments.

NOTE 10. PROVISIONS

	30 June 2026 ($)	30 June 2025 ($)
Provision for long service leave	40,537	32,254
Provision for annual leave	30,525	73,657
	71,062	105,911

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current since the Company does not have an unconditional right to defer settlement.

NOTE 11. LEASE LIABILITY

	30 June 2026 ($)	30 June 2025 ($)
Lease liability - current	-	13,086

The lease liability relates to the lease of premises with an annual rental of $31,540.20 and an expiry date of 25 November 2025. The lease was not renewed, and no new lease was entered into during the financial year.

NOTE 12. EQUITY - ISSUED CAPITAL

	2026 (shares)	2025 (shares)	2026($)	2025 ($)
Ordinary shares - fully paid	408,954,364	305,069,038	11,284,325	8,760,477

Movements in ordinary share capital

	Date	Shares	$
Balance as at 30 June 2025		**305,069,038**	**8,760,477**
Exercise of options		103,885,326	2,640,008
Share issue cost		-	(116,160)
Balance as at 30 June 2026		**408,954,364**	**11,284,325**

	Date	Shares	$
Balance as at 30 June 2024		**172,006,368**	**9,478,454**
Placement		96,873,275	1,549,972
Exercise of options		393,445	9,836
Issued of share in lieu of director fees		25,000,000	400,000
Issued of SPP shares		10,795,950	172,736
Share issue cost		-	(2,850,521)
Balance as at 30 June 2025		**305,069,038**	**8,760,477**

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 13. EQUITY – RESERVES

	30 June 2026 ($)	30 June 2025 ($)
Options reserve (a)	4,217,437	3,600,352
Performance rights reserve (b)	320,788	265,846
	4,538,225	**3,866,198**

(a) Movements in options reserve

		No. of Options	$
Balance as at 30 June 2024		**48,888,635**	**835,820**
5 July 2024	Expiry of listed NC6OA options	(22,268,635)	-
15 September 2024	Expiry of NC6OPT5 options	(1,000,000)	-
7 December 2024	Expiry of NC6OPT6 options	(1,000,000)	-
13 December 2024	Expiry of NC6OPT7 options	(1,000,000)	-
31 December 2024	Issue of listed NC6OB options	8,000,000	68,800
27 February 2025	Issue of NC6OPT11 options	26,533,874	-
30 April 2025	Exercise of options NC6OPT11	(179,978)	-
20 May 2025	Issue of NC6OPT11 options	85,668,789	2,655,732
11 June 2025	Issue of NC6OPT14 options	2,500,000	40,000
19 June 2025	Exercise of options NC6OPT11	(213,467)	-
30 June 2025	Issue of NC6OPT12 options to CEO [1]	15,000,000	-
30 June 2025	Issue of NC6OPT13 options to CEO [1]	15,000,000	-
Balance as at 30 June 2025		**175,929,218**	**3,600,352**
9 July 2025	Issue of NC6OPT15 options [3]	1,000,000	37,218
12 August 2025	Exercise of options NC6OPT11	(77,382)	-
14 August 2025	Exercise of options NC6OB	(200,000)	-
25 September 2025	Exercise of options NC6OPT11	(10,000,000)	-
3 December 2025	Issue of NC6OPT16 options [2]	1,000,000	25,179
22 December 2025	Exercise of options NC6OPT11	(10,000,000)	-
21 January 2026	Expiry of NC6OPT8 options	(500,000)	-
30 January 2026	Exercise of options NC6OPT11	(128,401)	-
30 January 2026	Exercise of options NC6OB	(1,000,000)	-
13 February 2026	Lapsed of options NC6OPT15	(1,000,000)	-
26 February 2026	Exercise of options NC6OPT11	(11,532)	-
30 March 2026	Exercise of options NC6OPT11	(18,708,994)	-
21 April 2026	Exercise of options NC6OPT11	(3,838,566)	-

NOTES TO THE FINANCIAL STATEMENTS

23 April 2026	Exercise of options NC6OB	(400,000)	-
30 April 2026	Exercise of options NC6OB	(75,000)	-
30 April 2026	Exercise of options NC6OPT11	(59,405,451)	-
26 May 2026	Exercise of options NC6OB	(40,000)	-
30 June 2026	Issue of NC6OPT17 options [3]	1,000,000	36,523
30 June 2026	Expensing CEO options NC6OPT11 & 12	-	518,165
Balance as at 30 June 2026		**73,543,892**	**4,217,437**

[1] Options issued to CEO

On 14 July 2025, Andrew Moullin was appointed as a managing director and CEO. Company has issued the following options to Andrew Moullin. The options were valued using the Hoadley Trinomial model with the following inputs:

	NC6OPT12						
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6	Total
Number of options	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	
Issue date share price	$0.047	$0.047	$0.047	$0.047	$0.047	$0.047	
Exercise price	$0.07	$0.07	$0.07	$0.10	$0.10	$0.10	
Expected volatility	100%	100%	100%	100%	100%	100%	
Option life	3 years	3 years	3 years	3 years	3 years	3 years	
Expiry	14/07/2028	14/07/2028	14/07/2028	14/07/2028	14/07/2028	14/07/2028	
Risk free rate	3.43%	3.43%	3.43%	3.43%	3.43%	3.43%	
Valuation per Option	$0.0223	$0.0224	$0.0229	$0.0196	$0.0199	$0.0209	
Valuation per tranche	$ 111,485	$ 112,038	$ 114,631	$ 97,977	$ 99,467	$ 104,390	
Expensed in the period	$111,485	$ 107,741	$ 55,117	$97,977	$ 95,652	$ 50,193	$518,165

The above options hold the following vesting conditions:

- 5,000,000 Tranche 1 NC6OPT12 options vested on commencement date of Andrew Moullin as Managing Director and CEO, which happened on 14 July 2025 ("Commencement Date").
- 5,000,000 Tranche 2 NC6OPT12 options will vest upon first anniversary of continuous service in the position from the Commencement Date.
- 5,000,000 Tranche 3 NC6OPT12 options will vest upon second anniversary of continuous service in the position from the Commencement Date.
- 5,000,000 Tranche 4 NC6OPT12 options vested on commencement date of Andrew Moullin as Managing Director and CEO, which happened on 14 July 2025 ("Commencement Date").
- 5,000,000 Tranche 5 NC6OPT12 options will vest upon first anniversary of continuous service in the position from the Commencement Date.
- 5,000,000 Tranche 6 NC6OPT12 options will vest upon second anniversary of continuous service in the position from the Commencement Date.

[2] Options issued to Director

At the 2025 Annual General Meeting held on 7 November 2025, shareholders approved the issue of options to Heidi Beatty in her capacity as a Directors. The options were issued on 3 December 2025 and valued using the Black-Scholes model with the following inputs:

	NC6OPT16
Number of options	1,000,000
Issue date share price	$0.045
Exercise price	$0.066
Expected volatility	100%
Option life	3 years

NOTES TO THE FINANCIAL STATEMENTS

Expiry	3/12/2028
Risk free rate	3.63%
Valuation per Option	$0.0252
Valuation per tranche	$ 25,179
Expensed in the period	$25,179

[3] Options issued to employee

At the 2025 Annual General Meeting held on 7 November 2025, shareholders approved the issue of 1,000,000 options to Boon Tan. On 13 February 2026, the Company offered a further 1,000,000 options to an employee and the Company Secretary.

The options were valued using the Black-Scholes model, using the following inputs:

	NC6OPT15	NC6OPT17	Total
Number of options	1,000,000	1,000,000	
Issue date share price	$0.067	$0.066	
Exercise price	$0.10	$0.10	
Expected volatility	100%	100%	
Option life	3 years	3 years	
Expiry	9/7/2028	31/1/2029	
Risk free rate	3.30%	4.56%	
Valuation per Option	$0.0372	$0.0323	
Valuation per tranche	$ 37,218	$ 36,523	
Expensed in the period	$37,218	$36,523	$73,741

The options on issue as at 30 June 2026 are as follows:

Grant date	Option Class	No. of Options	Exercise price	Expiry date
6 February 2024	NC6OB	29,405,000	$0.05	6 February 2027
30 April 2025	NC6OPT11	9,638,892	$0.025-$0.045	30 April 2028
30 May 2025	NC6OPT12	15,000,000	$0.07	14 July 2028
30 May 2025	NC6OPT13	15,000,000	$0.10	14 July 2028
11 June 2025	NC6OPT14	2,500,000	$0.05	6 February 2027
3 December 2025	NC6OPT16	1,000,000	$0.066	3 December 2028
13 February 2026	NC6OPT17	1,000,000	$0.10	31 January 2029
Total		**73,543,892**		

(b) Movements in performance rights reserve

	No. of Performance Rights	$
Balance as at 30 June 2024	**2,000,000**	**265,846**
Lapsed of Class E & F Performance Rights	(2,000,000)	-
Performance Rights Issued to CEO*	6,000,000	-

Balance as at 30 June 2025	**6,000,000**	**265,846**
Expensing Class H, I, J & K Performance Rights issued to CEO	-	54,942
Balance as at 30 June 2026	**6,000,000**	**320,788**

*On 29 May 2025, the Company issued performance rights to the CEO as part of his remuneration incentive. The CEO's employment commences on 14 July 2025. The performance rights vest from the commencement date and based on the achievement of certain milestones by 14 July 2028.

The performance rights were valued using Hoadley Trinomial model with the following inputs:

	Class H,I,J & K Performance Right
Number of performance rights	6,000,000
Valuation date	29 May 2025
Expiry date	14 July 2028
Share price at grant date	$0.05
Vesting date	14 July 2028
Expected volatility	100%
Dividend yield	nil
Risk-free interest rate	3.43%
Fair value at grant date	$0.0286
Total value	171,402
Expensed in the period	$54,942

A summary of share-based payments recognised as expenses/share issued costs for the year are as follows:

Share-based payment – employees/KMP	30 June 2026 ($)	30 June 2025 ($)
Performance rights issued to directors	54,942	-
Options issued to CEO – recognised in profit/loss	518,165	-
Options issued to director – recognised in profit/loss	25,179	-
Options issued to employee – recognised in profit/loss	73,741	-
	672,027	**-**
Share-based payment – supplier/consultant		
Options issued to employee and consultant – recognised in profit/loss	-	40,000
Options issued to consultant – recognised in equity	59,910	2,724,532
	59,910	**2,764,532**
	731,937	**2,764,532**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. EQUITY – ACCUMULATED LOSSES

	30 June 2026 ($)	30 June 2025 ($)
Accumulated losses at the beginning of the financial year	(12,230,264)	(10,803,812)
Loss after income tax expense for the year	(2,394,032)	(1,426,452)
Accumulated losses at the end of the financial year	**(14,624,296)**	**(12,230,264)**

NOTE 15. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personnel remuneration has been included in the Remuneration Report section of the Directors' Report.

	30 June 2026 ($)	30 June 2025 ($)
Short-term employee benefits	596,003	274,583
Post-employment benefits	58,191	25,875
Long service leave	-	32,253
Annual leave payments	13,479	21,075
Share-based payments – options	543,344	-
Share-based payments - performance rights	54,942	20,417
	1,265,959	**374,203**

NOTE 16. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	30 June 2026 ($)	30 June 2025 ($)
Audit services – RSM Australia Partners Audit or review of the financial statements	41,700	40,000
Other services – RSM Australia Pty Ltd Preparation of income tax return	8,950	8,500
	50,650	**48,500**

NOTE 17. COMMITMENTS

The Company has no commitments not recognised as liabilities as at 30 June 2026 (2025: $nil).

NOTES TO THE FINANCIAL STATEMENTS

NOTE 18. CONTINGENT ASSETS

The Company has no contingent assets as at 30 June 2026 (2025: $nil).

NOTE 19. CONTINGENT LIABILITIES

The Company has no contingent liabilities as at 30 June 2026 (2025: $nil).

NOTE 20. EVENTS AFTER THE REPORTING PERIOD

On 21 August 2026, the Company announced an expansion of its engineering capability and an update on the development of the Pilot Facility. The Company engaged two consultants to support its scale-up activities: Mr Peter Hillier, a founder and lead process engineer with more than 15 years of process engineering and scaling experience across large multinationals and start-ups; and Dr Jacob Brown, who holds a PhD in chemical engineering from the University of Cambridge, was previously a senior chemical engineer at Tesla developing manufacturing processes for electrode active materials, and is a founder of a company scaling and commercialising a novel metal extraction process. They join Operations and Engineering Manager Ms Danielle Nardini, who was appointed during the June 2026 quarter.

In the same announcement, the Company advised that equipment tendering for the Pilot Facility is underway and that it is costing the initial stages, with further detail on facility cost and configuration to be provided as that work progresses. Equipment trials run by a local dewatering and filtering consultant established a pathway for economic and scalable dewatering of microbial cellulose, with subsequent trials planned to validate throughput and establish equipment specifications for purchase. The Company continues to evaluate alternative equipment for the same process stage as a redundancy measure alongside design option reviews. No commitment has been made to any equipment supplier. Site selection for larger, fit-for-purpose premises in Western Australia to house the incoming equipment and the Pilot Facility is advanced.

The Company also confirmed that its development pathway has been refined to a single Pilot Facility, removing the previously anticipated requirement for a subsequent larger demonstration production line, and that the Pilot Facility will be funded by the Company in the near term.

Other than as noted above, no matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

NOTE 21. RELATED PARTY TRANSACTIONS

Disclosures relating to key management personnel are set out in Note 15 and the Remuneration Report included in the Directors' Report.

Transactions with key management personnel and their related parties

Payments to Epichemistry Pty Ltd (director related entity of Wayne Best and Winton Willesee) of $17,100 (2025: $14,336) for performing chemical research and analysis.

Payments to Azalea Corporate Services Pty Ltd (director related entity of Winton Willesee) of $135,600 (2025: $121,000) for bookkeeping and financial reporting services fees, corporate services fees including company secretarial services, and front and registered office services.

NOTES TO THE FINANCIAL STATEMENTS

Receivable from and payable to key management personnel and their related parties are as follows:
The following balances are outstanding at the reporting date in relation to transactions with key management personnel and their related parties:

	2026	2025
	$	$
Payable to Epichemistry Pty Ltd (director related entity of Winton Willesee and Wayne Best)	850	6,484
Payable to Azalea Corporate Services Pty Ltd (director related entity of Winton Willesee)	-	49,501

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There were no further transactions with Directors or other Key Management Personnel, including their personally related parties, not disclosed in Note 15 or the above.

NOTE 22. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	30 June 2026 ($)	30 June 2025 ($)
Loss after income tax expense for the year	(2,394,032)	(1,426,452)
Adjustments for:		
Depreciation of plant and equipment	2,383	6,593
Amortisation of right-of-use-asset	12,183	29,239
Share based payments	672,027	40,000
Change in operating assets and liabilities:		
Trade and other receivables	25,447	(36,222)
Prepayments	(1,067)	(26,884)
Borrowings	7,172	-
Provisions	(34,848)	14,700
Trade and other payables	(85,211)	300,478
Net cash used in operating activities	(1,795,946)	(1,098,548)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 23. FINANCIAL INSTRUMENTS

The Company's activities are being funded by equity and are not exposed to significant financial risks. There are no speculative or financial derivative instruments. The Company holds the following financial instruments:

	30 June 2026 ($)	30 June 2025 ($)
Financial assets		
Cash and cash equivalents	1,332,134	617,318
Trade and other receivables	21,366	46,814
	1,353,500	664,132
Financial liabilities		
Trade and other payables	147,169	232,380
Borrowing	7,172	-
Lease liability	-	13,086
	154,341	245,466

The Company's principal financial instruments comprise of cash. The main purpose of these financial instruments is to fund the Company's operations.

It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Company's financial operations are credit risk, capital risk and liquidity risk. The Directors' review and agree policies for managing each of these risks and they are summarised below:

(a) Credit risk

Management does not actively manage credit risk as the Company has no significant exposure to credit risk from external parties at year end as there are no trade receivables.

(b) Capital risk

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk

Maturity profile of financial instruments

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity funding. The Company's exposure to the risk of changes in market interest rates relates primarily to cash assets and floating interest rates. The Company does not have significant interest-bearing assets and is not materially exposed to changes in market interest rates.

The Company does not have financial instruments with maturity exceeding 12 months (2025: $nil).

Sensitivity analysis – interest rates

The sensitivity effect of possible interest rate movements has not been disclosed as they are not material.

(d) Net fair value of financial assets and liabilities

Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

NOTE 24. LOSS PER SHARE

	30 June 2026 ($)	30 June 2025 ($)
Basic (loss) per share (cents)	(0.72)	(0.69)
Diluted (loss) per share (cents)	(0.72)	(0.69)

	30 June 2026 ($)	30 June 2025 ($)
Net loss used in the calculation of basic and diluted loss per share	(2,394,032)	(1,426,452)
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	334,097,012	206,264,211
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted loss per share	334,097,012	206,264,211

As the Company is in a loss position, the diluted loss per share calculation excludes the dilutive effect of the performance rights and options issued and not yet converted to ordinary shares.

NOTE 25. DIVIDENDS

There were no dividends declared or paid during the financial year (2025: Nil).

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

AS AT 30 JUNE 2026

Nanollose Limited does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

DIRECTOR'S DECLARATION

In the opinion of the Directors of Nanollose Limited:

(a) the attached Financial Statements and Notes are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance, for the financial period ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and other mandatory professional reporting requirements.

(b) the Financial Report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board as disclosed in Note 1 to the financial statements; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

(d) the Company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the Financial Officer and Chief Executive Officer for the financial year ended 30 June 2026.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

Winton Willesee
Non-Executive Director
Dated at Perth, Western Australia
31 August 2026

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NANOLLOSE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Nanollose Limited (the Company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1, which indicates that the Company incurred a loss of $2,394,032 and had net cash outflows from operating activities of $1,795,946 for the financial year ended 30 June 2026. These events or conditions, along with other matters disclosed in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Share-based payments Refer to Note 13 to the financial statements.	
During the year, the Company issued performance rights and options to key management personnel and employees. We determined this to be a key audit matter due to the significant judgements involved in assessing the fair value of the options issued during the year.	Our audit procedures included: • Reviewing the terms and conditions of the options issued; • Obtaining the valuation models prepared by management and assessing whether the models were appropriate for valuing the options granted during the year; • Challenging the reasonableness of key assumptions used by management to value the options; • Recalculating the value of the share-based payment expense to be recognised in the statement of profit or loss and other comprehensive income; and • Assessing the adequacy of the disclosures in the financial statements to ensure compliance with Australian Accounting Standards.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RSM

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Nanollose Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM

RSM AUSTRALIA

AWhyte

ALASDAIR WHYTE
Partner

Perth, WA
Dated: 31 August 2026

ASX ADDITIONAL INFORMATION

The shareholder information set out below was applicable as at 17 August 2026

1. Quotation

Listed securities in Nanollose Limited are quoted on the Australian Securities Exchange under ASX code NC6 (Fully Paid Ordinary Shares) and NC6OB (Listed Options) and are not quoted on any other exchange.

2. Voting Rights

The voting rights attached to the Fully Paid Ordinary Shares ("Shares") of the Company are:

(a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

(b) every member present in person, or by proxy or attorney:

(i) on a show of hands, has one vote; and

(ii) on a poll, has one vote for each Share held.

There are no voting rights attached to any Options or Performance Rights on issue.

3. Distribution of Shareholders

i) Fully Paid Ordinary Shares

Shares Range	Holders	Units	%
1 – 1,000	42	5,713	0.00%
1,001 – 5,000	137	531,109	0.13%
5,001 – 10,000	194	1,533,808	0.38%
10,001 – 100,000	485	17,498,520	4.28%
100,001 and above	198	389,385,214	95.21%
Total	**1,056**	**408,954,364**	**100.00%**

On 17 August 2026, there were 232 holders of unmarketable parcels of less than 6,410 Shares (based on the closing Share price of $0.078).

ii) Listed Options exercisable at $0.05 on or before 6 February 2027

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	1	8,511	0.03%
10,001 – 100,000	32	1,209,000	4.39%
100,001 and above	27	28,106,489	95.58%
Total	**60**	**29,405,000**	**100.00%**

iii) NC6OPT11 Options exercisable at $0.025/$0.035/$0.045 on or before 30 April 2028

Shares Range	Holders	Units	%

1 – 1,000	25	10,801	0.11%
1,001 – 5,000	21	53,129	0.55%
5,001 – 10,000	13	91,349	0.95%
10,001 – 100,000	17	696,378	7.22%
100,001 and above	8	8,787,235[1]	91.16%
Total	**84**	**9,638,892**	**100%**

[1] Holders who hold more than 20% of securities are:

- Wayne Morris Best <Wayne & Debra Best Fam A/C> – 2,500,000 Options
- Chincherinchee Nominees Pty Ltd – 2,500,000 Options

iv) NC6OPT12 Options exercisable at $0.07 on or before 14 July 2028

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	15,000,000[1]	100%
Total	**1**	**15,000,000**	**100%**

[1] Held by Kruger-Dunning Pty Ltd <The Nine Ways A/C>

v) NC6OPT13 Options exercisable at $0.10 on or before 14 July 2028

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	15,000,000[1]	100%
Total	**1**	**15,000,000**	**100%**

[1] Held by Kruger-Dunning Pty Ltd <The Nine Ways A/C>

vi) NC6OPT14 Options exercisable at $0.05 on or before 6 February 2027

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	2,500,000[1]	100%
Total	**1**	**2,500,000**	**100%**

[1] Held by Stonehorse Nominees Pty Ltd

vii) NC6OPT16 Options exercisable at $0.066 on or before 3 December 2028

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	1,000,000[1]	100%
Total	**1**	**1,000,000**	**100%**

[1] Held by Heidi Beatty

viii) NC6OPT17 Options exercisable at $0.10 on or before 31 January 2029

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	2	1,000,000[1]	100%
Total	**2**	**1,000,000**	**100%**

[1] Holders who hold more than 20% of securities are:
- Adam Blake – 500,000 Options
- Mr Timothy James Barker – 500,000 Options

i) Class H Performance Rights expiring on or before 14 July 2028

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	1,500,000[1]	100%
Total	**1**	**1,500,000**	**100%**

[1] Held by Kruger-Dunning Pty Ltd <The Nine Ways A/C>

i) Class I Performance Rights expiring on or before 14 July 2028

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-

100,001 and above	1	1,500,000[1]	100%
Total	**1**	**1,500,000**	**100%**

[1] Held by Kruger-Dunning Pty Ltd <The Nine Ways A/C>

ii) Class J Performance Rights expiring on or before 14 July 2028

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	1,500,000[1]	100%
Total	**1**	**1,500,000**	**100%**

[1] Held by Kruger-Dunning Pty Ltd <The Nine Ways A/C>

iii) Class K Performance Rights expiring on or before 14 July 2028

Shares Range	Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	1	1,500,000[1]	100%
Total	**1**	**1,500,000**	**100%**

[1] Held by Kruger-Dunning Pty Ltd <The Nine Ways A/C>

4. Substantial Shareholders

The names of the substantial shareholders as notified to the Company as at 17 August 2026 are:

Name: ConBrio Beteiligungen AG
Holder of: 20,625,000 Shares, representing 6.77% as at 20 May 2025
Notice Received: 20 May 2025

Name: WACC Pty Ltd ATF Flagship Fund
Holder of: 60,023,964 Shares, representing 18.35% as at 31 March 2026
Notice Received: 1 April 2026

Name: Azalea Family Holdings Pty Ltd ATF The Britt and Winton Willesee Family Trust
Holder of: 24,258,006 Shares, representing 5.93% as at 30 April 2026
Notice Received: 12 May 2026

Name: Wayne Morris Best
Holder of: 22,400,000 Shares, representing 5.48% as at 30 April 2026

ASX ADDITIONAL INFORMATION

Notice Received: 12 May 2026

Name: Dutch Ink (2010) Pty Ltd
Holder of: 51,355,269 Shares, representing 12.56% as at 15 May 2026
Notice Received: 19 May 2026

5. Restricted Securities

There are no restricted securities listed on the Company's register as at 17 August 2026.

6. On market buy-back

There is currently no on market buy-back in place.

7. Twenty Largest Shareholders

8. The twenty largest holders of the Company's quoted Shares as at 17 August 2026 are as follows:

	Holder Name	Holding	%
1	Netwealth Investments Limited <Wrap Services A/C>	61,741,404	15.10%
2	Dutch Ink (2010) Pty Ltd	32,386,661	7.92%
3	Conbrio Beteiligungen Ag	25,102,195	6.14%
4	Azalea Family Holdings Pty Ltd <No 2 A/C>	24,258,006	5.93%
5	Wayne Morris Best <Wayne & Debra Best Fam A/C>	20,225,002	4.95%
6	Melanie Verheggen	16,500,000	4.03%
7	Buttonwood Nominees Pty Ltd	14,697,046	3.59%
8	Gleneagle Securities Nominees Pty Limited	14,375,000	3.52%
9	Spinite Pty Ltd	11,320,000	2.77%
10	Diamond Construct Pty Ltd	8,332,000	2.04%
11	Dutch Ink (2010) Pty Ltd	7,295,202	1.78%
12	Invia Custodian Pty Limited <The Fry Family A/C>	6,572,909	1.61%
13	Damon Joseph Verheggen	6,468,789	1.58%
14	The Key Company Pty Ltd	6,450,001	1.58%
15	Mr Jason Duncan Maclaurin	6,351,190	1.55%
16	Mr John Moursounidis <Moursounidis Family A/C>	5,934,523	1.45%
17	Citicorp Nominees Pty Limited	5,108,999	1.25%
18	Challen-7 Pty Ltd <Pashro Unit A/C>	4,345,267	1.06%
19	Madeiros Pty Ltd <Visser Super Fund A/C>	3,905,015	0.95%
20	Mr Dean Anthony Mackenzie	3,481,540	0.85%
	Total	**284,850,794**	**69.65%**

9. Twenty Largest Listed Option Holders – NC6OB ($0.05, 06/02/2027)

The twenty largest holders of the Company's quoted Options as at 17 August 2026 are as follows:

ASX ADDITIONAL INFORMATION

	Holder Name	Holding	%
1	Dutch Ink (2010) Pty Ltd	9,673,838	32.90%
2	Madeiros Pty Ltd <Visser Super Fund A/C>	2,800,000	9.52%
3	Mr Josephus Jeffrey Verheggen	2,000,000	6.80%
4	Mr Christopher David Hoffmann	1,495,813	5.09%
5	Mr Tony John Schirmer	1,250,000	4.25%
6	Mr Wayne Morris Best <Wayne & Debra Best Fam A/C>	1,200,000	4.08%
6	Azalea Family Holdings Pty Ltd <No 2 A/C>	1,200,000	4.08%
7	Mr Jason Stephen Tincey & Mrs Holly Elise Tincey <Stellas Treasure A/C>	900,000	3.06%
8	Mr Tak Wai Chow	821,100	2.79%
9	Mr Shorsh Salehi	700,000	2.38%
10	Ms Anastazja Magda Gorecki	600,000	2.04%
10	Murphy Lee Pty Ltd <Lee Murphy Super Fund A/C>	600,000	2.04%
11	Neave Trading Pty Ltd	453,082	1.54%
12	Mrs Hafidah Visser	425,556	1.45%
13	Randus Investments Pty Ltd <Randus Investments A/C>	400,000	1.36%
13	Dawson Dale Investments Pty Ltd <The Dd Super Fund A/C>	400,000	1.36%
13	Gman (Wa) Pty Ltd <Gman Family A/C>	400,000	1.36%
13	Mr Gregory Rolland Cunnold & Ms Lara Cheryl Groves <Stratford A/C>	400,000	1.36%
13	Mr Terry Visser & Mrs Hafidah Visser	400,000	1.36%
13	Mr Anthony Nosek	400,000	1.36%
14	Mr Alan James Foulger	300,000	1.02%
14	Neave Trading Pty Ltd	300,000	1.02%
15	Challen-7 Pty Ltd <Pashro Unit A/C>	217,100	0.74%
16	Mr Brijesh Dutta	200,000	0.68%
16	Sagemila Investments Pty Ltd <Sagemila Investments A/C>	200,000	0.68%
16	Mr Paul Michael Okey & Mrs Thalia Merle Okey	200,000	0.68%
17	Mr Michael Anthony Parnell	170,000	0.58%
18	Mr Robert Speechly Hogan	100,000	0.34%
18	Ms Karen Laura Boyd	100,000	0.34%
18	Mr David Michael Mills & Mrs Rae Frances Mills	100,000	0.34%
18	Prof Terry Stirling Walter	100,000	0.34%
18	Mr Benjamin Daniel Alford	100,000	0.34%
19	Miss Sara Visser	80,000	0.27%
20	Mr Graham Malcolm Dyason	50,000	0.17%
	Total	**28,736,489**	**97.73%**