

2 June 2022

MOU WITH INDITEX - ADDITIONAL INFORMATION

Nanollose Limited (ASX: NC6) (“**Nanollose**” or the “**Company**”) a leading bio-materials company commercialising scalable technology to create fibres and fabrics with minimal environmental impact, announces the following additional information in respect of the binding memorandum of understanding (“**MOU**”) entered into on 26 May 2022 with one of the world’s largest fashion retailers, Industria de Diseño Textil, S.A. (“**INDITEX**”).

Further to the announcement by the Company on 26 May 2022 regarding the MOU (“**Announcement**”), the Company notes the following material terms of the MOU:

- (a) **Commencement Date:** The MOU commenced upon execution, on 26 May 2022 (“**Commencement Date**”).
- (b) **Term:** The MOU continues from the Commencement Date, throughout the pilot phase of the Company’s lyocell product development, until such time as the parties wish to extend the relationship beyond the scope contemplated (being testing of the materials provided by Nanollose), or termination in the manner set out in the Announcement (“**Term**”).
- (c) **Material Supply:** Throughout the Term, Nanollose will supply samples of its Tree-Free (and/or blended) nullarbor™ lyocell which are sufficient for INDITEX to undertake testing. Initial samples of fibre will be provided as soon as possible, and initial samples of three types of fabric will be provided as soon as available and by August 2022 (unless agreed otherwise). The cost of these initial samples to Nanollose is not considered material.
- (d) **Testing:** In consideration for its early access to the Company’s fibre, INDITEX will (at its own cost) undertake testing and prototyping and will provide valuable commercial and technical feedback to Nanollose on its materials.

The economic impact of the MOU on Nanollose is that Nanollose receives valuable commercial and technical feedback on its fibre. The MOU is significant to Nanollose on the basis that INDITEX is one of the world’s largest fashion retailers, and that by entry into this MOU, Nanollose now has the benefit of working alongside INDITEX, receiving their feedback to improve and refine Nanollose’s products ahead of any potential future commercialisation.

AUTHORITY AND CONTACT DETAILS

This announcement has been authorised by Executive Chairman, Dr Wayne Best.

For further information, please contact:

Wayne Best

Executive Chairman

Email: wayne.best@nanollose.com

Phone: 0421 545 820

Henry Jordan

Six Degrees Investor Relations

Email: henry.jordan@sdir.com.au

Phone: 0431 271 538

ABOUT NANOLLOSE

Nanollose Limited (ASX: NC6) is a leading biotechnology Company commercialising scalable technology to create fibres with minimal environmental impact. Nanollose uses an eco-friendly fermentation process to grow fibres that could become a sustainable alternative to conventional plant-derived cellulose fibres.

The Company's process, which uses streams from various large-scale industries, including food and agriculture, has the ability to produce 'Tree-Free' Cellulose. Cellulose is the hidden polymer building block most consumers know nothing about, but forms a huge part of items used in their everyday life such as clothing, paper and hygiene products.

In January 2021, Nanollose filed a joint patent application with Birla Cellulose, for a high tenacity, Tree-Free lyocell made from microbial cellulose (High Tenacity Lyocell Fibres From Bacterial Cellulose and Method of Preparation Thereof). Using the lyocell process, a team of fibre experts at Grasim's Pulp and Fibre Innovation Centre produced Nullarbor fibre that is finer than silk and significantly stronger than conventional lyocell that is traditionally produced from wood pulp. Nanollose's primary focus is on commercialising this fibre technology.