

18 August 2022

COOPERATION AGREEMENT WITH CODI GROUP FOR DEVELOPMENT OF WIPES EXTENDED

Highlights:

- **Nanollose and Codi Group, Europe's largest producer of wet wipes, extend collaboration agreement for a further three years**
- **Extension follows Nanollose's transition from viscose to a more environmentally friendly lyocell fibre**
- **The wet wipes market is estimated to be valued at US\$21.5Bn in 2021 and growing to US\$28.8Bn by 2028**

Nanollose Limited (ASX:NC6) ("Nanollose" or the "Company") is pleased to advise that it has extended its Cooperation Agreement with Codi International BV, part of the Codi Group ("Codi"), for a further three years.

With a philosophy of "Sustainability is the only way of doing business for us", Codi Group plays a leading role in Europe for the market of high quality, sustainable wet wipes. Its clients include multinational brands, European retailers, distributors and institutional parties. The group distributes products to over 40 countries and owns high value proprietary technical information focused on the production, marketing and distribution of consumer wipes.

Nanollose initially provided Codi with a sample of its Tree-Free viscose, which was then converted into a nonwoven fabric, a precursor to wet wipes. While the outcome of this trial was very positive, the Company has since transitioned away from viscose to the more environmentally friendly lyocell fibre.

Nanollose has successfully completed this transition, and the development of its flagship Nullarbor™ fibre is well advanced following the successful pilot spin of 260kg of Nullarbor-20 fibre earlier this year. It is envisaged that the second pilot fibre production will be conducted on a larger scale and allow for an offtake of a quantity of fibre specifically formulated for nonwoven trials.

The wet wipes market is large and continues to grow rapidly. It includes baby wipes, personal care wipes and household or homecare wipes, with data from Research and Markets report showing that in 2021 the market was valued at around US\$21.5Bn and predicted to grow to US\$28.8Bn by 2028 at a CAGR of 4.3%. In addition to the growth in the market there is consumer and regulatory pressures on manufacturers to transition away from plastic fibres such as polyester, to biodegradable ones such as lyocell.

For further details of the Agreement please refer to the Company's announcement on 16 August 2019.

[ENDS]

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 biomaterials 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.