

31 July 2025

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 JUNE 2025

Operational highlights:

- **Successful completion of a pilot manufacturing run with Waverley Mills, a leading Australian wool mill, resulting in the production of ~70 wool blankets incorporating Nanollose's Nullarbor-20™ fibre**
- **Completion of 1 for 3 Entitlement Issue to raise \$1.05m (before costs), following successful placement of Shortfall Shares allocated in full to eligible shareholders**
- **Management team strengthened with the appointment of Mr Andrew Moullin - a lawyer with over two decades of senior executive experience - as Chief Executive Officer and Managing Director to oversee the group's near-term commercialisation strategy**

Key updates post quarter-end:

- **Confirmation that Nanollose's product development partner, Magnera (NYSE: MAGN), had successfully converted a 110kg batch of Nufolium-20™ fibre into rolls of nonwoven fabric for use in the manufacture of wet wipes**
- **Fabric conversion by Magnera marked an important step forward in Nanollose's strategy to deploy its technology for the global wet wipes sector – a major addressable market with strong ongoing demand for sustainable fabric solutions**
- **Expansion of global IP portfolio via the granting of a joint patent in Japan, and the selection of Nanollose's Nullarbor™ fibre for inclusion in an upcoming exhibition at the National Gallery of Victoria**

Outlook and key objectives:

- **Continued advancement of pilot production testing and commercial development of sustainable fabric product suite, including Nullarbor™ and Nufolium™ fibres**
- **Direct engagement with multi-national development partners across the supply chain to assess opportunities for expanded production to achieve commercial scale**
- **Commence accelerated feasibility study for a pilot fermentation and processing facility**

Nanollose Limited (ASX:NC6) ("Nanollose", the "Company"), a leading bio-materials company commercialising scalable technology to create fibres, fabrics and other materials from microbial cellulose, is pleased to provide shareholders with an overview of activities undertaken during the three-month period ended 30 June 2025 ("quarter", "reporting period").

Management commentary

CEO and Managing Director, Mr Andrew Moullin said: *“I am pleased to present Nanollose’s activities report for the June quarter, which marked an exciting period of transition and leaves the Company well positioned to progress commercialising its unique technology suite. As incoming CEO, I’m looking forward to evaluating and overseeing our commercialisation strategy in FY26 and beyond, as we capitalise on the Company’s extensive IP profile by pursuing avenues towards revenue in global markets. In the coming weeks, I’ll be meeting with our international development partners to assess opportunities to expand our production base and build commercial scale for Nanollose’s sustainable fabric solutions. Decarbonisation, circularity, and sustainability remain major priorities of the global fashion and textiles industry, and I look forward to updating investors in the near-term as we evaluate, and advance, our commercialisation strategy in what are significant global addressable markets.”*

Operational overview:

CEO / Managing Director Appointment

During the quarter, Nanollose announced it had appointed senior corporate and commercial leader, Mr Andrew Moullin, as Chief Executive Officer and Managing Director.

Mr Moullin is an experienced corporate executive whose most recent role was Commercial Projects & Senior Corporate Lawyer at Iluka Resources Limited. He has previously held senior roles with DLA Piper, Macro Metals Limited, Fivemark Partners and CLSA, as well as founding and managing other businesses.

With demonstrated expertise in building teams, offtakes and collaborations, M&A, project planning and execution, capital raisings, and investor relations initiatives, Mr Moullin will focus on Nanollose’s next stage of commercial development and drive the Company’s microbial cellulose technology towards commercialisation. Dr Wayne Best will continue as Executive Chairman, with particular focus on the Company’s technological advancements, ongoing R&D and new product development.

Mr Moullin formally commenced in the role post quarter-end on 14 July 2025.

Pilot production run with Waverley Mills

Operations during the quarter were highlighted by a successful pilot production run with leading Australian wool products company, Waverley Mills (refer ASX Announcement 28 April 2025).

The production run resulted in the manufacture of approximately 70 small blankets incorporating Nullarbor-20™ fibre. Nanollose provided 50kg of its proprietary Nullarbor-20 fibre to the project, made by strategic partner Birla Cellulose. Waverley then blended the Nullarbor-20 material with Australian merino wool to generate a yarn consisting of 30% Nullarbor-20 and 70% wool.

Waverley then undertook the dyeing and weaving of the yarn to produce the fabric and undertook the finishing to manufacture the range of blankets measuring 150cm x 110cm

The collaboration marked the first time Nullarbor has been blended with wool, highlighting the technology’s versatility and ability to seamlessly integrate with a premium natural fibre.

Waverley Mills (www.waverleymills.com) is a flagship Australian wool brand which has been crafting Australia’s finest textiles in Tasmania for 150 years. It is the only mill of its kind in Australia that takes raw fibre and transforms it into finished goods entirely onsite.

Completion of Placement

During the quarter, Nanollose confirmed that Shortfall Shares in connection with its previously announced 1 for 3 Entitlement Issue to raise \$1.05m before costs had been placed in full.

The additional funding provides Nanollose with important balance sheet flexibility to advance product development and pursue commercialisation initiatives in the second half of 2025.

Activities post quarter-end

On July 2, Nanollose announced that its product development partner, Magnera (NYSE: MAGN), had successfully converted a 110kg batch of Nufolium-20™ fibre into rolls of nonwoven fabric for use in the manufacture of wet wipes.

The material has now been passed on to Codi Group, a European conglomerate that manufactures and distributes wet wipes to 40 countries globally, in line with the initial Cooperation Agreement (refer ASX Announcement 6 September 2024) between the parties.

The converted Nufolium-20 material was then used by Codi Group make wet wipe samples for testing and initial results are encouraging.

The successful conversion marks an important step forward in Nanollose's strategy to expand the addressable market for its sustainable fabric technology to include nonwoven fabrics such as wet wipes – a multi-billion-dollar global industry where manufacturers are prioritising initiatives to reduce their carbon footprint and reliance on nonbiodegradable synthetic fibres.

Expanded patent portfolio

In July 2025, Nanollose was advised that its joint patent with Grasim Industries (Birla Cellulose) for the production of lyocell from microbial cellulose had been granted in Japan. This is the second grant for this patent family following its grant in India in 2024. The patent strengthens Nanollose's intellectual property portfolio and augurs well for related patent applications still pending in other major jurisdictions.

National Gallery of Victoria Exhibition

Also post quarter-end, Nanollose was advised that its Nullarbor fibre had been selected by the National Gallery of Victoria for inclusion in their upcoming exhibition entitled "*Making Good: Redesigning the Everyday*". The exhibition opens on 29 August 2025 and brings together the work of more than 50 contemporary designers, studios, and brands from Australia and abroad who are innovating with new materials and designs.

Appendix 4C Quarterly Cash Flow:

The Company's Appendix 4C Quarterly Cash Flow Report for the quarter ended 31 December 2024 accompanies this announcement. At the end of the quarter, Nanollose had a cash balance of \$611,000. Nanollose advises it is in well advanced negotiations around potential funding pathways to ensure financial flexibility and adequate balance sheet strength to capitalise on commercialisation objectives.

The Company continued diligent cash management, expending a gross total of \$343,000 on the operations of the Company. Capital expenditure comprised of R&D (\$312,000), advertising and

marketing (\$48,000), staff costs (\$49,000), and administrative and corporate costs (\$159,000). The payments included at section 6.1 of the attached Appendix 4C relate to Executive Directors' Salaries (\$168,000), Non-Executive Director Fees (\$30,000), and Company Secretary, Accounting and Office Fees (\$36,000).

[ENDS]

AUTHORITY AND CONTACT DETAILS

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

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ABOUT NANOLLOSE

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

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

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Nanollose Limited

ABN

13 601 676 377

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(312)	(665)
(b) product manufacturing and operating costs	0	0
(c) advertising and marketing	(48)	(143)
(d) leased assets	0	0
(e) staff costs	(49)	(103)
(f) administration and corporate costs	(159)	(420)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	(8)	(36)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives (R&D Rebate)	232	232
1.8 Other	0	0
1.9 Net cash from / (used in) operating activities	(343)	(1,132)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	Net cash from / (used in) investing activities	0	0

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,160	1,733
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(76)	(126)
3.5	Proceeds from borrowings	0	218
3.6	Repayment of borrowings	(218)	(218)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
3.10	Net cash from / (used in) financing activities	866	1,607

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	88	136
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(343)	(1,132)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	0
4.4	Net cash from / (used in) financing activities (item 3.10 above)	866	1,607
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	611	611

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	591	68
5.2	Call deposits	20	20
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	611	88

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	234
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
Payments at section 6.1 relate to Executive Directors' Salaries (\$168,000 (including PAYG and Superannuation commitments for 12 months salary – Refer Notice of Meeting dated 21 Jan 2025), Non-Executive Director Fees (\$30,000), Company Secretary, Accounting and Office Fees (\$36,000)		

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	0	0
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 Total financing facilities	0	0
7.5 Unused financing facilities available at quarter end		0
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(343)
8.2 Cash and cash equivalents at quarter end (item 4.6)	611
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	611
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.78
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: The Company does anticipate continuing to have materially the current levels of net operating cash flows for the time being.	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company has a series of 'in the money' Options with terms that encourage early exercise. The Company is confident a sufficient number of these options will be exercised to provide its required funding.	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Yes. The Company is confident it will have access to sufficient additional capital when needed.	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2025

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Authorised by: The Board of Directors

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(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.