

## STRATEGIC INVESTMENT IN ADVANCED FILTRATION TECHNOLOGY COMPANY

### Highlights:

- **Nanollose has made a \$200,000 strategic investment to acquire a 20% holding in CelluAir, an Australian company developing an Advanced Filtration Technology (“AFT”) based on nanocellulose.**
- **Developed by Queensland University of Technology, the AFT has been developed and validated over a number of years, culminating in the filing of a patent application in July 2020.**
- **Capital from the Investment will be used to scale the AFT using off-the-shelf commercial equipment, in addition to commencing discussions with potential sales partners and distribution channels in Australia and internationally.**
- **The Investment potentially enables Nanollose to enter the high growth personal protective equipment market, within which the face mask sector alone has reached US\$11b in 2020, with strong growth forecast<sup>1</sup>.**
- **The AFT and CelluAir are being incubated by Innovyz, the commercialisation specialists responsible for developing and listing of Titomic Limited (ASX:TTT) and Amaero International Limited (ASX:3DA).**
- **Strong working synergies exist between the companies, with the opportunity for Nanollose to supply microbial cellulose and expertise in nanocellulose to CelluAir, assisting in the commercialisation of the technology.**
- **The commercialisation of Nanollose’s Tree-Free fibres remains the Company’s first priority.**

**Nanollose Limited (ASX:NC6)** (“Nanollose” or the “Company”) a leading biotechnology company commercialising scalable technology to create fibres and fabrics with minimal environmental impact, is pleased to announce that the Company has made a \$200,000 strategic investment (“Investment”) to acquire a 20% holding in CelluAir Pty Ltd (“CelluAir”), an Australian company developing an advanced filtration technology (“AFT”) based on nanocellulose.

Developed by Queensland University of Technology (“QUT”), the AFT has been developed and validated over a number of years, culminating in the filing of a patent application in July 2020. It should be noted that multiple applications for the AFT exist across the medical, construction, and air treatment industries, thereby providing a significant opportunities for both CelluAir and Nanollose.

Proceeds from the Investment will be used to scale the AFT using off-the-shelf commercial equipment, in addition to commencing discussions with potential sales partners and distribution channels in Australia and internationally. In addition, the funds will allow CelluAir to investigate the potential of replacing its current plant-based nanocellulose with Nanollose’s microbial nanocellulose.

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<sup>1</sup> <https://www.prnewswire.com/news-releases/face-mask-market-size-to-reach-revenues-of-over-20-billion-by-2025--arizton-301096977.html>

It is important to note that, unlike the fashion and wipes markets, the AFT does not require the use of a spun rayon fibre.

Nanollose's Investment into CelluAir potentially enables the Company to enter the high growth personal protective equipment market, within which the face mask market alone has reached US\$11b in 2020<sup>1</sup>, with strong growth forecast.

CelluAir was formed in partnership with QUT to commercialise the nanocellulose filtration technology from QUT. Innovyz is a leading specialist in the commercialisation of research from universities and other institutions, that can be applied to the future of advanced materials and manufacturing.

Innovyz has a successful track record in investing in, developing and commercialising Australian technologies born out of universities and research institutions, and has worked on over 80 Innovations since 2009, with graduate companies having raised more than \$125m, and three companies already listed on the ASX – Titomic Limited (ASX:TTT), K-Tig Limited (ASX:KTG) and Amaero International Limited (ASX:3DA). Innovyz graduate companies have a collective value of approximately \$400m.



The AFT was developed the Queensland University of Technology

**Nanollose's Executive Chairman, Dr Wayne Best, commented:** "We are pleased to have invested in a seed capital raise for CelluAir, as strong synergies exist between the two companies, and we believe in the potential of nanocellulose across multiple industries and applications. This investment allows Nanollose to contribute to, and benefit from, CelluAir's technology without diverting significant resources from the Company's near-term objective of commercialising its Tree-Free nullarbor™ fibre."

**QUT Executive Director of Industry Engagement, Erin Rayment, commented:** "QUT is pleased to have received this strategic investment from Nanollose – an ASX listed company developing tree-free cellulose, hence it is a natural fit with QUT spinout, CelluAir, which also works in the nanocellulose area. There are several opportunities for the companies to work together and we look forward to working with Nanollose and Innovyz to rapidly grow and scale CelluAir in the next 12 months."

The Company is also pleased to announce that it has agreed terms to issue 12,000,000 new fully paid ordinary shares at an issue price of \$0.055 ("New Shares") via a placement to sophisticated and professional investors introduced by PAC Partners Securities Pty Ltd ("PAC Partners") to raise \$660,000 before costs ("Placement").

The Company will issue the New Shares under the Company's available placement capacity pursuant to ASX Listing Rule 7.1. Net proceeds from the Placement will be used by the Company for the acquisition of its interest in CelluAir, for working capital purposes and the costs of the offer.

The Company will also issue 2,400,000 options, exercisable at \$0.10, with an expiry of 30 November 2021, to PAC Partners or its nominees, for which approval will be sought at this year's AGM.

**[ENDS]**

## **AUTHORITY AND CONTACT DETAILS**

This announcement has been authorised for release by the Board of Nanollose Limited.

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## **ABOUT NANOLLOSE**

Nanollose Limited (ASX: NC6) is an innovative Australian company that 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 like sugar, wine and food, has the ability to produce 'Plant-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.