

NANOLLOSE RAISES \$2.85M IN STRONGLY OVERSUBSCRIBED PLACEMENT

Highlights:

- **Oversubscribed placement to institutional and sophisticated investors raises \$2.85m, at an issue price of \$0.10 per share.**
- **Placement proceeds will further strengthen the Company's balance sheet, placing Nanollose in a strong position to further advance the development and commercialisation of its tree free fibres.**

Nanollose Limited (ASX:NC6) ("**Nanollose**", the "**Company**") a leading bio-materials company commercialising scalable technology to create fibres and fabrics with minimal environmental impact, is pleased to announce that the Company has received firm commitments for an oversubscribed placement to institutional and sophisticated investors, raising a total of \$2.85m.

The placement is to be undertaken at an issue price \$0.10 per share ("**New Shares**") together with one free attaching option per two New Shares, with an exercise price of \$0.15 and an expiry date of three years from the date of issue ("**Options**").

The New Shares are to be issued out of the Company's remaining placement capacity under ASX Listing Rules 7.1 and 7.1A, with the New Shares expected to be issued on 23 April 2021. The Options are subject to shareholder approval, which will be sought at a meeting to be convened as soon as practicable. The Company intends to issue the Options under a prospectus, and seek quotation of the Options on ASX.

The proceeds of the placement will further strengthen the Company's balance sheet, placing Nanollose in a strong position to further advance the development and commercialisation of its nullarbor™ lyocell fibre, which is finer than silk, and significantly stronger than conventional lyocell made from wood pulp. In January 2021, the Company announced the filing of a joint patent application with its R&D partner, Grasim Industries, for high tenacity lyocell fibre made from Microbial Cellulose, and continues to work with Grasim on the development of the technology.

Commenting on the Placement, Nanollose Executive Chairman, Dr Wayne Best, said: "We are very pleased to have received such strong support for this placement from both sophisticated and institutional investors. Importantly, the capital raised will expedite the development and commercialisation of Nanollose's tree free, high tenacity lyocell, as we continue to progress the pilot production phase to produce sufficient quantities of fibre to enable commercial agreements with fashion brands."

Peak Asset Management acted as Sole Lead Manager to the Placement, and will receive a capital raising fee of 6% on all funds raised under the placement (plus GST) and, subject to shareholder approval, will be issued 7.5 million options on the same terms as the placement Options.

[ENDS]

AUTHORITY AND CONTACT DETAILS

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

For further information, please contact:

Wayne Best

Executive Chairman

Email: wayne.best@nanollose.com

Phone: 0421 545 820

Jane Morgan

Investor Relations

Email: jm@janemorganmanagement.com.au

Phone: 0405 555 618

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 various streams from the food and agricultural industries, 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.