

PRO-RATA NON-RENOUNCEABLE RIGHTS OFFER

The directors of **Nanollose Limited** ("**Company**") (**ASX:NC6**) advise they are seeking to raise up to approximately \$720,000 by a pro-rata non-renounceable rights offer ("**Offer**") of up to approximately 29,999,998 shares on the basis of 2 new shares ("**New Share**") for every 5 shares held at an issue price of 2.4 cents per New Share. The Company expects to lodge an offer document for the Offer ("**Offer Document**") with the ASX on 15 April 2020.

The funds raised under the Offer will be used for the collaboration project with Grasim Industries, for research and development, for patent and trade mark protection, for customer engagement and marketing, for working capital and to meet Offer expenses.

The Offer is not underwritten. Alto Capital is Lead Manager to the Offer and has been engaged to place any shortfall. There is no minimum subscription under the Offer.

The timetable for the Offer in accordance with Appendix 7A paragraph 2 of the Listing Rules is as follows:

Pro-rata Offer announced	3 April 2020
Shares quoted on an "ex" basis (date from which the Shares commence trading without the entitlement to participate in the Offer).	7 April 2020
Record Date (date for identifying Shareholders entitled to participate in the Offer).	8 April 2020
Offer Document with Entitlement Form sent to Eligible Shareholders	15 April 2020
Opening Date	15 April 2020
Closing Date (last date for lodgement of Entitlement Forms and Application Money)	6 May 2020
Trading of New Shares commence on a deferred settlement basis	7 May 2020
Company to announce the results of the Offer	11 May 2020
Issue of New Shares and end of deferred settlement trading	13 May 2020

Subject to the Listing Rules, the above dates may be changed without notice.

The Offer will be made to the Company's shareholders with a registered address in Australia or New Zealand on the Record Date ("**Eligible Shareholders**").

Assuming that no Options are exercised or Performance Rights converted before the Record Date, the effect of the Offer on the Company's issued share capital at Full Subscription is shown in the following table:

Shares	Full Subscription
Existing Shares	74,999,993
New Shares issued under the Offer	29,999,998
Total Shares on issue after completion of the Offer*	104,999,991

* The Lead Manager will be issued with 1,000,000 Options (exercise price 10 cents, expiry date 31 May 2023) upon completion of the placement of shortfall.

Shareholders may view all the Company's ASX announcements, including those relating to the Offer, on the ASX's website at www.asx.com.au or alternatively on the Company's website at www.nanollose.com.

It is anticipated that the Offer Document offering New Shares for subscription will be mailed to Eligible Shareholders on 15 April 2020 and will be available on the ASX and Company's website on this day.

Application will be made to ASX for official quotation of the New Shares. No shareholder approval is required to the Offer.

Overseas Shareholders

The Offer is only made to Eligible Shareholders (shareholders with a registered address in Australia or New Zealand at the Record Date). Therefore, if you are a shareholder with a registered address other than Australia or New Zealand, no offer will be made to you. In making this decision, the directors have taken into account the small number of overseas shareholders and the costs and administrative complexity of complying with applicable regulations in jurisdictions outside Australia and New Zealand.

For further information, please contact:

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*This announcement was authorised for release by
the Board of the Company*

ABOUT NANOLLOSE

Nanollose Limited (ASX: NC6) is an innovative Australian company that uses a low cost and 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 food and beverages, has the ability to produce 'Plant-Free' Cellulose. Cellulose is the hidden polymer most consumers know nothing about, but forms a huge part of items used in their everyday life such as clothing, paper and hygiene products.