

26 May 2022

NANOLLOSE SIGNS MOU WITH INDITEX, ONE OF THE WORLD'S LARGEST FASHION RETAILERS

Nanollose Limited (ASX: NC6) (“Nanollose” or the “Company”) a leading bio-materials company commercialising scalable technology to create fibres and fabrics with minimal environmental impact, is pleased to announce that it has entered into a binding memorandum of understanding (“MOU”) with one of the world’s largest fashion retailers, Industria de Diseño Textil, S.A. (“INDITEX”).

INDITEX is a public company listed on the stock exchanges of Madrid, Barcelona, Bilbao and Valencia, and on the Automated Quotation System. With numerous brands, including Zara, Pull&Bear, Massimo Dutti, Bershka, Stradivarius, Oysho and Zara Home, INDITEX sells into 215 markets through its online platform, and has over 6,600 stores in 96 markets. Further information about INDITEX can be found on its website: <https://www.inditex.com/>.

Under the MOU, Nanollose and INDITEX have agreed to the non-exclusive delivery by Nanollose to INDITEX of samples of the Company’s Tree-Free (and/or blended) nullarbor™ lyocell resulting from the Company’s current pilot program with Birla Cellulose. During the pilot phase of product development, Nanollose will work with INDITEX, supplying samples of various materials for testing and prototyping, with the view to Nanollose gaining valuable commercial feedback, whilst INDITEX are allowed early access to the Company’s materials to determine the potential for use in their various brands.

Initial samples of the materials will be supplied to INDITEX at no cost. Subsequent larger quantities of the materials will be supplied at a price to be mutually agreed at the time based on factors such as the percentage of microbial cellulose in the fibre, whether it is supplied as fibre, yarn or fabric, and any costs associated with dyeing and finishing.

Nanollose may cease providing materials to INDITEX, and INDITEX may request to cease receiving materials by giving at least 5 days’ notice to the other party. Where, based on the outcome of the activities contemplated by the MOU, the parties wish to extend the relationship beyond the scope contemplated, the parties have undertaken to agree in good faith the terms and conditions that will govern that relationship. The MOU otherwise contains terms and conditions considered standard for an agreement of this nature.

This MOU with INDITEX is indicative of the significant interest and demand for sustainable solutions in the fashion and textile industry, and the willingness and commitment of industry leaders such as INDITEX to seek out and support the sustainable innovations that Nanollose has to offer.

AUTHORITY AND CONTACT DETAILS

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

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 biotechnology 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.