

30 October 2026

Quarterly activities report for period ended 30 September 2026

Highlights:

- Pilot Facility pathway refined to a single Company-controlled facility in Western Australia, providing a shorter and less capital-intensive route to commercial partnering
- Engineering capability expanded with senior engineers Peter Hillier and Dr Jacob Brown joining Operations and Engineering Manager Danielle Nardini
- Equipment tendering and site selection progressed, with larger volume dewatering trials completed, informing Pilot Facility equipment selection
- 500kg of microbial cellulose pellicles received from supply partner HGB for vendor trials and laboratory work
- All Stage 1 equipment ordered and paid for, with shipment of final pieces expected over the next 2 months
- First significant piece of Stage 2 equipment ordered
- Stage 2 targeting production capacity of microbial cellulose pulp to support multiple meaningful partner collaborations
- Stage 2 roadmap expected in November, with commissioning targeted for Q3 CY27 subject to funding, securing a suitable facility and required permits

Nanollose Limited (ASX: NC6) (“Nanollose” or the “Company”), an advanced biomaterials company commercialising scalable technology to create fibres, fabrics and other materials from microbial cellulose, is pleased to provide an overview of the activities undertaken during the three-month period ended 30 September 2026 (“quarter”, “reporting period”).

Management commentary

CEO and Managing Director, Mr Andrew Moullin said: *“During the quarter we moved from defining the Pilot Facility pathway to putting the engineering capability and execution plan around it. We refined the program to one Company controlled facility, expanded the team with senior engineers who have taken process technology from laboratory to pilot and production, and continued equipment tendering, costing and site selection.*

The technical work also continued to support that pathway. We have identified scalable approaches to key processing stages, while the improved laboratory process continues to show at least an 80% efficiency uplift over the method used for the fourth pilot spin and a more uniform product.

We have now ordered and paid for all significant Stage 1 equipment. The immediate priority is now securing the right premises, commissioning Stage 1 and generating the operating data required to finalise Stage 2. Stage 2 is targeting production capacity of microbial cellulose pulp at a scale we believe is required to support meaningful partner collaborations.”

Pilot Facility pathway and engineering execution

During the quarter, Nanollose refined the development pathway for its first dedicated microbial cellulose pulp production facility. The Company now expects a single Company-controlled Pilot

Facility in Western Australia to generate the production data and material volumes required for meaningful customer engagement and support future licensing, sale or joint venture discussions.

This removes the previously anticipated requirement for a subsequent larger demonstration production line and provides a shorter, less capital-intensive pathway to commercial partnering. Nanollose's broader commercial strategy remains unchanged: the Company intends to achieve industrial-scale deployment through licensing, sale or joint venture rather than building industrial-scale production capacity itself. Equipment is being selected so that data generated at the Pilot Facility can be extrapolated to industrial scale.

Equipment tendering and costing for the initial stages progressed during the quarter, alongside site selection for larger, fit-for-purpose premises in Western Australia. Establishing the Pilot Facility remains the Company's principal operating objective for FY2027, with development progressing through a staged approach to procurement and capital deployment.

Expanded engineering and scale-up capability

Nanollose expanded its engineering capability during the quarter with the appointment of two senior engineering consultants to support Pilot Facility design, equipment selection and scale-up activities. Mr Peter Hillier is a founder and lead process engineer with more than 15 years of process engineering and scaling experience across large multinationals and start-ups. Dr Jacob Brown holds a PhD in chemical engineering from the University of Cambridge and was previously a senior chemical engineer at Tesla, where he developed manufacturing processes for electrode active materials.

Mr Hillier and Dr Brown joined Operations and Engineering Manager Ms Danielle Nardini, who commenced during the quarter following her appointment in June. Ms Nardini has more than 16 years of engineering and operations experience, including supporting the scale-up of battery-electric mining systems from prototype to commercial deployment at Sandvik. Together, the expanded team adds direct experience taking emerging process technology from laboratory development through pilot-scale and commercial deployment.

The consultants agreed to reduce their fees in return for options that vest against Pilot Facility and market milestones, including design, costing and commissioning objectives, aligning a portion of their remuneration with delivery of the program. In connection with these arrangements, the Company issued 3,000,000 unquoted employee options during the quarter, exercisable at \$0.08 and expiring 21 August 2030, subject to vesting conditions.

Process development

The improved laboratory process continued to demonstrate at least an 80% efficiency uplift over the method used for the fourth pilot spin, while producing a more consistent product. During the quarter, Nanollose continued to progress the washing, dewatering and dissolution work required to define Pilot Facility equipment and operating parameters.

Larger-volume local dewatering trials were completed, validating a scalable processing pathway and providing data to inform throughput and equipment specifications for the Pilot Facility. The Company also continued technical review and testing of its dissolution protocol in India. Together, this work continued to shift the technical focus from establishing whether the process can operate at scale to determining the equipment configuration, capacity and operating parameters required for the Pilot Facility.

Equipment ordered

All equipment required for Stage 1 of the Pilot Facility program is now ordered and paid for, with several items already delivered and shipment of the final key pieces expected over the following two months. Stage 1 is designed to expand the Company's in-house process development

capability and generate operating data required to finalise equipment selection and configuration for Stage 2.

Subsequent to quarter end

Securing and fitting out suitable Western Australian premises is the immediate operational priority. The Company has assessed dozens of sites across the Perth metropolitan area and negotiations are progressing on preferred premises. A fit-for-purpose site is required before Stage 1 equipment can be fully installed and commissioned.

Stage 2 is the key pilot-production phase, targeting production capacity of microbial cellulose pulp to support multiple meaningful partner collaborations. Planning work has identified several long-lead items required for Stage 2, which the Company expects to order in November. The Stage 2 program roadmap is also expected to be finalised in November, with commissioning targeted for Q3 CY2027, subject to funding, securing a suitable facility and required permits.

Appendix 4C quarterly cash flow

The Company's Appendix 4C Quarterly Cash Flow Report for the quarter ended 30 September 2026 accompanies this announcement. At the end of the quarter, Nanollose had a cash balance of \$758,000 (30 June 2026 quarter: \$1,350,000).

During the quarter, the Company incurred net operating cash outflows of \$538,000, comprising research and development expenditure of \$258,000, advertising and marketing expenditure of \$24,000, staff costs of \$101,000 and administration and corporate costs of \$145,000, together with \$12,000 of finance costs, offset by \$2,000 of interest received.

During the quarter, 872,544 ordinary shares were issued following the exercise of options, with the proceeds reflected in the accompanying Appendix 4C.

Payments at section 6.1 relate to Executive Directors' Salaries (\$45,000), Managing Director's salaries (\$105,000), Non-Executive Director Fees (\$6,000), Company Secretary, Accounting and Office Fees (\$26,000).

ENDS

AUTHORITY AND CONTACT DETAILS

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

For further information, please contact:

Mr Andrew Moullin

CEO & Managing Director

Email: andrew.moullin@nanollose.com

Phone: 08 9389 3120

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 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.

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 September 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(258)	(258)
(b) product manufacturing and operating costs	0	0
(c) advertising and marketing	(24)	(24)
(d) leased assets	0	0
(e) staff costs	(101)	(101)
(f) administration and corporate costs	(145)	(145)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(12)	(12)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives (R&D Rebate)	0	0
1.8 Other	0	0
1.9 Net cash from / (used in) operating activities	(538)	(538)
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	(98)	(98)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(98)	(98)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	0
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	44	44
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	0	0
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	44	44

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,350	1,350
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(538)	(538)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(98)	(98)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	44	44
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	Cash and cash equivalents at end of period	758	758

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	738	1,330
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)	758	1,350

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	182
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 (\$45,000), Managing Director's salaries (\$105,000), Non-Executive Director Fees (\$6,000), Company Secretary, Accounting and Office Fees (\$26,000)	

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)	(538)
8.2	Cash and cash equivalents at quarter end (item 4.6)	758
8.3	Unused finance facilities available at quarter end (item 7.5)	0
8.4	Total available funding (item 8.2 + item 8.3)	758
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1) <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>	1.41
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?	
	Yes. The Company presently expects its net operating cash outflows to remain broadly consistent with the level reported for the current quarter, subject to the timing of expenditure on its research and development activities.	
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?	
	The Company expects to receive funds from the exercise of its in-the-money listed options expiring on 6 February 2027 and anticipates receipt of its R&D Tax Incentive in the current quarter.	
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?	
	Yes. The Company expects to be able to continue its operations and meet its business objectives on the basis of its existing cash resources and the additional funding sources referred to in item 8.6.2 above.	
<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: 30 October 2026
.....

Authorised by: The Board of Directors
.....
(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.