

30 April 2026

## QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 MARCH 2026

### Highlights:

- **Successful fourth pilot spin, delivering 580kg of Nullarbor™ fibre, largest run to date, validating integration into existing lyocell infrastructure without pre-processing**
- **Dissolution and spinnability trials again confirm microbial cellulose as a viable, incremental feedstock within commercial production systems**
- **Post-fourth spin process improvements demonstrate ≥60% efficiency uplift at laboratory scale, representing a step-change in development economics**
- **Downstream commercial pathway advancing, with test fibres delivered to partner for yarn and fabric conversion before broader customer evaluation**
- **International equipment trials commenced to progress near-term scale-up objectives**
- **\$311,000 R&D Tax Incentive rebate received, strengthening cash position and supporting ongoing development activities**
- **Strong intellectual property position maintained, with 15 granted patents and 8 trademarks supporting commercialisation and licensing strategy**
- **Strategic focus refined to prioritise Nullarbor™ fibre as flagship commercial pathway within a ~US\$20bn regenerated cellulosic fibre market**
- **Capital-light, partner-backed approach progressing toward establishment of first dedicated microbial cellulose processing facility**
- **Post-period progress includes equipment trial success, process simplification initiatives and additional funding secured via option conversions to support next phase of growth**

**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 shareholders with an overview of activities undertaken during the three-month period ended 31 March 2026 (“quarter”, “reporting period”).

### Management commentary:

**CEO and Managing Director, Mr Andrew Moullin said:** *“The March quarter was one of meaningful progress across both our technical and strategic fronts. The completion of the fourth pilot spin, producing 580kg of Nullarbor™ fibres, our largest run to date, validating an advance in our process: microbial cellulose now integrates directly into existing lyocell infrastructure without additional pre-processing from third parties. This de-risks potential future adoption for industry partners.*

*More significant is the step-change improvement in our production process that we’ve demonstrated at laboratory scale since the fourth spin. Under conservative assumptions, our improved process is*

at least 60% more efficient than the method used for that spin, representing a fundamental shift in our development economics. We have commenced equipment evaluation trials and expect to update the market this quarter.

Our strategic focus is clear. Our objective is to demonstrate scalability and unlock the value of our technology through a focused, capital-efficient pathway, positioning Nanollose as a partner of choice for larger industry participants. We are prioritising execution against a defined set of milestones, including progressing a dedicated production capability and advancing industry engagement, with the aim of converting technical progress into commercial traction and ultimately delivering meaningful shareholder value.”

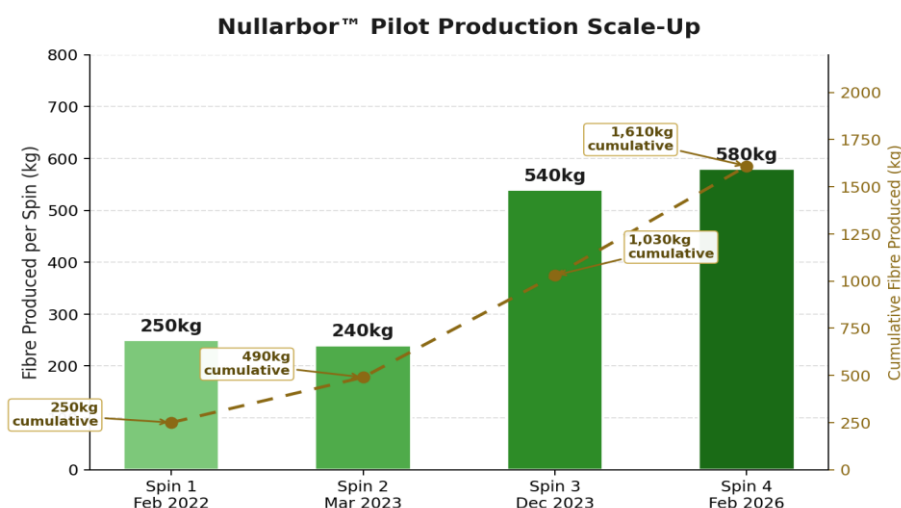
### **Operational overview:**

#### **Nullarbor™ fibre fourth pilot production spin completion**

During the quarter, Nanollose completed the fourth pilot production spin of its proprietary Nullarbor forest-friendly lyocell fibre, undertaken with strategic partner Birla Cellulose in India.

The fourth spin utilised a 200kg batch of processed microbial cellulose produced by Nanollose’s long-term supply partner Hainan Guangyu Biotechnology (HGB) using a new washing and treatment process. The batch yielded 425kg of Nullarbor-25 and 155kg of Nullarbor-30 fibres, comprising 25% and 30% microbial cellulose respectively with 75%/70% FSC-certified wood pulp, representing the Company’s largest single production run to date.

The success of the fourth spin further validates the Company’s microbial cellulose feedstock within an existing lyocell production environment. Critically, this production run represents the first full validation of Nanollose’s microbial cellulose acting as incremental, fungible feedstock within Birla Cellulose’s lyocell process without the need for additional pre-processing, a milestone that enhances the broad commercial applications of the technology.



#### **Downstream processing and partner evaluation**

With the fourth spin successfully completed, the Company progressed a number of downstream activities, including:

- Nullarbor™ fibres in the process of being shipped to Paradise Textiles, the innovation hub of global textiles company Alpine Group and a long-term co-development partner, for conversion into yarns and fabrics.

- Yarns and fabrics to be distributed to commercial development partners and potential customers for testing and evaluation.
- Engagement with development and manufacturing partners to advance commercialisation pathways and scale-up planning.

### **Process development and efficiency improvements**

Post the completion of the pulp preparation stages of the fourth pilot spin, the Company undertook extensive in-house work to identify and implement significant process improvements at laboratory scale. Under conservative assumptions, the improved production process is at least 60% more efficient than the method utilised for the fourth pilot spin, while producing a more uniform, higher-quality product. The dissolution and spinnability of this material will be tested shortly and the Company's attention is now focused on engineering this process to produce at scale.

The primary engineering focus for the near term is the drying and dewatering of microbial cellulose. Previously, maintaining solubility was a concern however new process results mean the Company can now focus on solving simpler questions of equipment suitability. The Company has commenced international equipment evaluation trials to identify an initial functional drying solution, with some results expected in the near term.

The Company's production process is characterised by fewer stages, fewer inputs, and a significantly shorter and cleaner pathway than conventional cellulosic fibre manufacturing, providing more confidence in the process economics achievable at industrial scale.

### **R&D tax incentive rebate**

During the quarter, the Company received a \$311,000 R&D Tax Incentive Rebate from the Australian Government, relating to eligible R&D expenditure. The rebate strengthens the Company's cash position and supports ongoing research, development and commercialisation activities.

### **Intellectual property**

The Company's IP portfolio, comprising 15 granted patents and 8 registered trademarks across four patent families, continues to provide a strong foundation for commercialisation and licensing discussions. Details of recent IP developments were disclosed in the Company's announcement of 22 January 2026, including national phase filings in 12 jurisdictions for the Biollose™ dewatering patent and new grants in Japan, Canada and South Korea.

### **Board changes**

On 16 March 2026, Non-Executive Director Ms Heidi Beatty tendered her resignation from the Board, effective 1 April 2026. The Board thanks Ms Beatty for her contribution and wishes her well in her future endeavours. The Board is reviewing its composition to ensure appropriate skills and experience to support the Company's near-term commercial objectives.

### **Strategic outlook**

The Company has clarified its strategic priorities, narrowing its near-term focus to Nullarbor™ fibre as its flagship commercial pathway. The rationale is a clear-eyed assessment of resources: rather than pursuing multiple product opportunities simultaneously, Nanollose is focused on delivering increased scale in the regenerated cellulosic fibre market, a market estimated at ~US\$20bn (and growing), driven by regulatory pressure to find deforestation-free feedstock alternatives.

Nanollose's technology is complementary to the existing cellulosic fibre industry, designed to serve as an incremental feedstock allowing producers to blend microbial cellulose into existing lyocell infrastructure without discarding capital-intensive equipment. This approach lowers the barrier to adoption and underpins a licensing or strategic transaction model as the primary near-term value creation pathway.

The Company's single most important near-term goal is establishing a dedicated microbial cellulose pulp processing line capable of producing sufficient pulp for multiple tonnes of Nullarbor fibre per month. This volume threshold underpins formal collaboration agreements and positions the Company credibly for negotiations that can unlock shareholder value. The Company is pursuing a capital-light, partner-backed manufacturing model.

### **Activities post quarter-end**

On 8 April 2026, the CEO issued a Letter to Shareholders outlining Nanollose's strategic direction, technical progress and near-term objectives.

On 22 April 2026, delivering on commitments outlined in the shareholder letter, the Company announced progress toward its first dedicated microbial cellulose pulp production facility, including successful completion of initial equipment trials in the UK, a global tender process for remaining modules, and removal of an entire production stage to reduce costs and simplify operations. Facility cost estimates and timelines to follow as equipment selection progresses.

### **Appendix 4C quarterly cash flow**

The Company's Appendix 4C Quarterly Cash Flow Report for the quarter ended 31 March 2026 accompanies this announcement. At the end of the quarter, Nanollose had a cash balance of \$494,000, up from \$272,000 at the end of the December 2025 quarter.

Subsequent to the end of the reporting period, the Company received \$423,000 in new funding from investors for the conversion of options. The options were issued as part of the Company's strategic capital raise, undertaken in Q4 CY24 (refer ASX announcement: 13 December 2024). New funding will provide financial flexibility to advance the Company's stated strategy to establish its first dedicated microbial cellulose production facility.

Net operating cash outflow for the quarter was \$99,000 (December 2025 quarter: \$519,000), significantly reduced primarily due to the receipt of the \$311,000 R&D Tax Incentive Rebate. Gross operating expenditure comprised R&D (\$242,000), advertising and marketing (\$18,000), staff costs (\$48,000), administration and corporate costs (\$100,000), and interest (\$2,000).

Equity proceeds of \$521,000 were received during the quarter, including for the exercise of unlisted options. The Company repaid the \$200,000 short-term borrowing drawn in the December 2025 quarter.

The payments included at section 6.1 of the attached Appendix 4C relate to Executive Directors' Salaries (\$38,000), Managing Director's Salaries (\$38,000), Non-Executive Director Fees (\$19,000), and Company Secretary, Accounting and Office Fees (\$12,000).

**ENDS**

### **AUTHORITY AND CONTACT DETAILS**

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

For further information, please contact:

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## **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")**

31 March 2026

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	0	0
1.2 Payments for		
(a) research and development	(242)	(686)
(b) product manufacturing and operating costs	0	0
(c) advertising and marketing	(18)	(112)
(d) leased assets	0	0
(e) staff costs	(48)	(182)
(f) administration and corporate costs	(100)	(474)
1.3 Dividends received (see note 3)	0	0
1.4 Interest received	0	1
1.5 Interest and other costs of finance paid	(2)	(8)
1.6 Income taxes paid	0	0
1.7 Government grants and tax incentives (R&D Rebate)	311	311
1.8 Other	0	0
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(99)</b>	<b>(1,150)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	0	0
(b) businesses	0	0
(c) property, plant and equipment	0	0

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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
<b>2.6 Net cash from / (used in) investing activities</b>	<b>0</b>	<b>0</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	521	1,033
3.2 Proceeds from issue of convertible debt securities	0	0
3.3 Proceeds from exercise of options	0	0
3.4 Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5 Proceeds from borrowings	0	200
3.6 Repayment of borrowings	(200)	(200)
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
<b>3.10 Net cash from / (used in) financing activities</b>	<b>321</b>	<b>1,033</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	272	611
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(99)	(1,150)

Appendix 4C  
Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	0
4.4	Net cash from / (used in) financing activities (item 3.10 above)	321	1,033
4.5	Effect of movement in exchange rates on cash held	0	0
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>494</b>	<b>494</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	474	252
5.2	Call deposits	20	20
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>494</b>	<b>272</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	107
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 (\$38,000), Managing Director's salaries (\$38,000), Non-Executive Director Fees (\$19,000), Company Secretary, Accounting and Office Fees (\$12,000)	

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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>		
7.1 Loan facilities	0	0
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 <b>Total financing facilities</b>	0	0
7.5 <b>Unused financing facilities available at quarter end</b>		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.	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(99)
8.2 Cash and cash equivalents at quarter end (item 4.6)	494
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	494
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	4.99
<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>	
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?
	Answer: N/A
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?
	Answer: N/A
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?
	Answer: N/A
<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 April 2026  
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Authorised by: The Board of Directors  
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(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.