

ASX RELEASE

28 April 2023

ASX: NVU

Quarterly Activities Report and Appendix 4C for the Quarter ended 31 March 2023

Nanoveu Limited (**Nanoveu** or the **Company**) (**ASX: NVU**), a company specialising in protective films and coatings for commercial applications, is pleased to provide its quarterly activities and cash flow reports for the March 2023 quarter.

Highlights:

- **Launch of Nanoshield™ Solar, derivative nano coatings for major Solar applications**
- **Further research and development completed into anti-flammable laminates for the Aviation industry**
- **Board strengthened with the appointment of Dr David Pevcic and Dr Michael Winlo and Non-Executive Chairman and Non-Executive Director, respectively**
- **Placement of \$1.25 million completed subsequent to quarter, supported by existing, new institutional and sophisticated investors**
- **Significant pipeline and interest for Solar products established worldwide, with distribution agreement executed for the Philippines subsequent to the reporting period**

Activities

Antimicrobial Nano Coating Developed for Solar PV Panels

During the March Quarter the Company successfully expanded its Nanoshield™ product suite to include a proprietary antimicrobial coating targeting algae growth on photo-voltaic solar panels.

The coating was initially designed to inhibit biofilm formation and algae growth (antifouling) for photovoltaic solar panels. Nanoshield™ therefore addresses a major issue in humid climates where solar panel energy output can be significantly hindered by microbial growth. Nanoshield™ also inhibits dirt and sand adherence, reducing cleaning frequency for climates where sand build up on panels is a major issue and creates a super hydrophilic film that reduces mineral and dirt accumulation after rainfall.

Aircraft Laminates to Incorporate Nanoshield™ Technology

On 7 March 2023, the Company completed a research collaboration with A*STAR to develop a new product category in anti-flammable laminates for the aviation industry, to which the Company is now adding its Nanoshield™ Antiviral technology.

The research program was undertaken by A*STAR and Nanoveu and successfully passed all pertinent evaluations for use in commercial airlines, including OSU Heat Release, Anti-Smoke, and Anti-Flame tests.

The successful program provides the opportunity to expand Nanoshield™ treated laminates to major additional transportation markets.

Subsequent to the March Quarter

Nanoshield™ Solar Distribution Agreement for the Philippines

On 13 April 2023, the Company advised that it had entered into an exclusive marketing and distribution agreement with One Renewable Energy Enterprise Inc to exclusively distribute Nanoshield™ Solar, the Company's proprietary antimicrobial coating products for photo-voltaic (PV) panels in the Philippines.

Nanoshield™ Tested for Marine Antifouling Application

On 19 April 2023, the Company advised that the antifouling capability of Nanoshield™ Marine had been successfully tested in the United States. The product shares the same chemical structure as the W Series coating within the recently announced Nanoshield™ Solar product range. Nanoveu concluded a 30-day preliminary test to determine the effectiveness of Nanoshield™ Marine coating for preventing algae and oxidation on aluminium surfaces in salt water.

Corporate

Director Appointments

On 3 February 2023 the Company advised the appointment of Dr David Pevcic as a Director and Non-executive Chairman of the Company.

Dr David Pevcic is a medical doctor and businessman, with a principal focus on the resources and biotechnology sectors. Dr Pevcic is a Director of ASX-listed Battery Age Minerals Limited (ASX: BM8), and the founding director of several privately owned mineral exploration companies which have executed transactions with both ASX and TSX-listed companies.

Dr Pevcic holds a Bachelor of Science, Bachelor of Medicine and Bachelor of Surgery from the University of Western Australia and is a Member of the Australian Institute of Company Directors. Furthermore, he is the author of multiple academic publications in the field of Neuroscience.

On 28 March 2023 the Company advised the appointment of Dr Michael Winlo as a Non-Executive Director.

Dr Michael Winlo has extensive experience in leading high-growth teams across the biotech, pharmaceutical and technology sectors, and is currently the Managing Director of Emyria Limited (ASX: EMD). Dr Winlo is also a director and former CEO of Linear Clinical Research, a world-class provider of early and late stage pharmaceutical trials.

Prior to his role at Linear, Michael was based in Silicon Valley as the health lead for Palantir Technologies - one of the largest big data companies in the world (NYSE: PLTR). There, Michael led deployments for health companies and government organisations across the US and UK.

Dr Winlo has a Master of Business Administration (MBA) from Stanford University and a Bachelor of Medicine, Bachelor of Surgery (MBBS) from the University of Western Australia.

Expiry of Performance Rights

On 4 January 2023, the Company advised that 2,885,000 Performance Rights had lapsed on 31/12/2022.

Issuance of Securities

On 30 January 2023 sought quotation of 52,500,000 FPO Shares issued following a placement which raised of \$525,000. The Company also issued 50,000,000 options with a 3 year term and \$0.02 exercise price. Both issues were approved by shareholders on 15 December 2022 and form part of a placement announced on 5 October 2022. Further the lead manager of the placement, Sixty Two Capital Pty Ltd, elected to be paid their fee for arranging the placement in securities.

On 26 April 2023, subsequent to the reporting period, the Company advised that it had completed a placement of 48,076,923 fully paid ordinary shares at \$0.026 per share to sophisticated investors to raise \$1.25 million together with one free attaching unquoted option (exercisable at \$0.04 on or before 2 years from date of issue) for every

two Shares issued and that Directors had subscribed for an additional \$100,000 on the same terms. The issue of the options and participation in the placement by directors is subject to shareholder approval.

Annual Report

On 21 February 2023 the Company released its 2022 Annual Report.

Expenditures

Payments to related parties totalling \$85k were paid during the quarter for directors' fees, executive remuneration, and pension / superannuation benefits.

The Company's focus has been the commercialization of its nano coating products.

Expenditure for the quarter ended 31 March 2023 have included:

- Product manufacturing and operating expenditure of \$24k incurred in producing products for sale, specifically the Company's nano coating products, including the purchase and production of inventory for sale;
- Advertising and marketing expenditure of \$22k related to marketing the Company's nano coating products and the Company;
- Staff costs of \$105k comprising the costs of all staff employed by the Company and directors' remuneration;
- Administration and corporate costs of \$150k associated with running the Company, including ASX fees, audit fees, legal fees, share registry fees and rent; and
- Repayment of borrowings of \$180k.

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

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About Nanoveu Limited

Nanoveu is a company specialising in protective films and coatings. <https://www.nanoveu.com/>

Nanoshield™ - is a film which uses a patented polymer of Cuprous embedded film to self-disinfect surfaces. NanoShield antiviral protection which is available in a variety of shapes and forms, from mobile screen covers, to mobile phone cases and as a PVC commercial film, capable of being applied to a number of surfaces such as door handles and push panels. The perfectly clear plastic film contains a layer of charged copper nanoparticles which have antiviral and antimicrobial properties. This technology is also being applied to fabric applications targeting use in the personal protective equipment sector.

Nanoshield™ Marine prevents the accumulation and growth of aquatic organisms such as algae, barnacles, and mussels on the hulls of ships, boats and other structures that are submerged in water.

Nanoshield™ Solar is designed to solve a major issue for solar panels, being reduction of power output from panel surface debris.

EyeFly3D™ - is a film applied to digital displays that allows users to experience 3D without the need for glasses on everyday mobile handheld devices.

Customskins - are vending machines capable of precisely applying screen covers to mobile phones with an alignment accuracy of 150 microns.

EyeFyx - currently in the research and development stage, EyeFyx is a vision correction solution using hardware and software to manipulate screen output addressing long-sightedness without the need to wear reading glasses.

Forward Looking Statements

Statements regarding plans with respect to Nanoveu's projects and products are forward looking statements. There can be no assurance that Nanoveu's plans for its projects or products will proceed as expected and there can be no assurance of future sales.

Appendix 4C

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

Name of entity

Nanoveu Limited

ABN

97 624 421 085

Quarter ended ("current quarter")

31 March 2023

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		68	68
1.2 Payments for			
(a) research and development		(26)	(26)
(b) product manufacturing and operating costs		(24)	(24)
(c) advertising and marketing		(22)	(22)
(d) leased assets		-	-
(e) staff costs		(105)	(105)
(f) administration and corporate costs		(150)	(150)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		1	1
1.5 Interest and other costs of finance paid		-	-
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	-
1.8 Other (provide details if material)		12	12
1.9 Net cash from / (used in) operating activities		(246)	(246)
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		(47)	(47)
(d) investments		-	-
(e) intellectual property		-	-
(f) other non-current assets		-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(47)	(47)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	525	525
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1)	(1)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(180)	(180)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	344	344

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	248	248
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(246)	(246)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(47)	(47)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	344	344
4.5	Effect of movement in exchange rates on cash held	(3)	(3)
4.6	Cash and cash equivalents at end of period	296	296

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	234	195
5.2	Call deposits	62	53
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)	296	248

**6. Payments to related parties of the entity and their
associates**

6.1 Aggregate amount of payments to related parties and their
associates included in item 1

6.2 Aggregate amount of payments to related parties and their
associates included in item 2

**Current quarter
\$A'000**

74

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of,
and an explanation for, such payments

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-
-	-

7.5 **Unused financing facilities available at quarter end**

-

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.

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8. Estimated cash available for future operating activities

\$A'000

8.1	Net cash from / (used in) operating activities (Item 1.9)	(246)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	296
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	-
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	1.2

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- 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: Yes

- 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: Subsequent to period end, the Company raised \$1,250,000 from a placement scheduled to settle in May 2023. Further, the directors have agreed, subject to shareholder approval, to invest a further \$100,000 to participate in the placement on the same terms.

- Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, based on expected sales and equity raised.

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.

28 April 2023

Date:

Managing Director and CEO

Authorised by:
(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.