

15 August 2022

The Manager

National Stock Exchange of Australia Ltd

Alaska Mining Sdn Bhd

Nanopac Innovation Ltd (NSX:NNO) is pleased to announce that it has today, through its newly established wholly owned subsidiary Nanopac Alaska Sdn Bhd, signed an agreement to acquire a 51% interest in Alaska Mining Sdn Bhd ("Alaska").

Alaska holds a mining concession over 58 acres in Chenderiang in Perak State, Malaysia. The concession is expected to produce over 2 years a minimum 100,000 metric tonnes of Ilmenite for which an off -take agreement has been entered with a Chinese buyer for a total of US\$18,000,000. Silica will also be produced from the concession.

Ilmenite is an important ore in the production of titanium and titanium oxide which is used in paints, printing inks, fabrics, plastics, paper, sunscreen, food and cosmetics.

The acquisition of shares in Alaska will allow Nanopac's Malaysian subsidiary Nanopac (M) Sdn Bhd to gain access to a supply of Ilmenite for use in its product manufacturing division and Silica for use in Nano-Solar Panel production. Nanopac will therefore be able to achieve direct supply of both products rather than having to source them from third parties.

The total consideration for the 51% interest in Alaska is A\$5,000,000 worth of CDIs in Nanopac to be issued at the then prevailing market price for Nanopac CDIs. The consideration will be paid in two tranches \$2,500,000 worth of CDIs on completion and a further \$2,500,000 worth of CDIs upon Alaska achieving net profits of A\$5,000,000. As a result Alaska is expected to achieve net profits of A\$5,000,000.

Completion of the acquisition is expected to take place within 30 days.

Authorised by the Board



Andrew Bristow

Secretary

Subsidiary:

NANOPAC (M) SDN BHD - 27 Jalan Raja Wali 2, Bandar Puchong Jaya, 47100 Puchong, Selangor D.E. Malaysia.

Tel: +603 - 8070 7428 Fax: +603 - 8076 6487

NANOPAC INNOVATION SDN BHD - 27 Jalan Raja Wali 2, Bandar Puchong Jaya, 47100 Puchong, Selangor D.E. Malaysia.

Tel: +603 - 8070 7428 Fax: +603 - 8076 6487

NANOTEXTILE SDN BHD - 23 Jalan MJ 16, Taman Meranti Jaya, 47120 Puchong, Selangor D.E. Malaysia.

Tel: +603-80516990 Fax: +03-8051 3098