

ASX ANNOUNCEMENT

31 October 2024

Quarterly Activity Report for July to September 2024

Papyrus Australia Ltd (ASX:PPY) is pleased to report its activities pertaining to the quarter ended 30 September 2024 and the quarterly Appendix 4C cash flow report released to the market on 31 October 2024.

Highlights

- Progress of PPYEg Consolidation with PPY
- Mr Al Jawhari appointed as Executive Chair to the Papyrus Australia Board
- Mr Edward Byrt retired as Chair of PPY and remains a non-Executive Director
- PPY registered a provisional patent application to extend the application of its technology
- Commercialisation Projects progress outside of Egypt

Papyrus Australia Ltd

1. The Consolidation strategy work for PPY to take 100% control of PPYEg, continued with due diligence and compliance on the Egyptian side of the transaction underway to prepare an audit. Once this work is completed the PPY Board intend to present the consolidation proposal for shareholder reconsideration at a General Meeting.
2. Executive Director Mr Al Jawhari was appointed as Executive Chair of Papyrus Australia in July replacing Mr Edward Byrt who retired as Chair of the Papyrus Board and remains a non-executive director of the Company.
3. Mr Jawhari is contributing his significant global commercial experience to the progression of PPY from R&D activities to product development and commercialisation. Mr Jawhari is committed to advancing the strategic goals and driving growth for Papyrus Australia, fostering innovation, enhancing operational efficiency, and delivering exceptional value to our customers and stakeholders.
4. Mr Byrt was the Chair of Papyrus from 2009 and oversaw the complex relocation and transition to Egypt, the establishment of PPYEg and the significant technology development that resulted in achieving the first contracts with the Egyptian Government.
5. To support the protection of PPY intellectual property, PPY has registered a provisional patent application for the technology to 'Produce a Mouldable Cellulosic Fibrous Pulp'. This new patent represents a significant advancement in our proprietary technology and will extend the application into food contact grade packaging and other advanced packaging applications.
6. This important step in advancing the PPY technology research and development into phase 2 will diversify and expand our product offerings and open new market opportunities to leverage our sustainable, environmentally friendly technology.
7. PPY progressed engagement with several parties seeking to commercialise our technology in locations outside of Egypt. We look forward to providing more details on these opportunities as they progress further along the development pipeline.
8. PPY received a summons from investors Perfection Australia Group Pty Ltd and BPE Investments Pty Ltd, regarding the terms of a Services and Loan Agreement entered earlier this year. The PPY Board is currently reviewing the Summons and is considering its options.

Papyrus Australia Financial comments

9. During the quarter to September 2024, the following related party payments were made.
 - \$ 660 to Mr David Attias for reimbursement of travel expenses incurred as Director.
10. The expenditure reported for the quarter ending in September 2024 Appendix 4C cash flow report for Papyrus relates primarily to:
 - Staff costs
 - Intellectual Property costs
 - Consolidation related costs
 - Compliance costs
 - Other overhead related costs
11. Papyrus Australia received \$ 156,556 in September 2024 as a loan against the future FY24 R&DTI tax refund for R&D expenditure.

Except for the payment referred to above during the month, there was no other payment to an associate or a related party.

As approved by the Board.

ENDS