



ASX ANNOUNCEMENT

3 May 2019

IP Licence Agreement with EBFC

The Company is pleased to announce that it has concluded negotiations with Egypt Banana Fibre Company (EBFC) for the transfer to EBFC of the Company's half interest in Papyrus Egypt and in consideration the signing of an "exclusive for Egypt" IP Licensing Agreement.

The focus for the Company now is a technology development and licensing entity.

In essence the Egypt IP Licence provides for:-

- An exclusive licence for 5 years to exploit the technology in Egypt and a non-exclusive licence for the same term in the Middle East.
- EBFC to develop banana fibre products and markets to maximum impact and mutual beneficial outcomes to both parties.
- EBFC to facilitate successful development and commercial application of the licensed Intellectual Property.
- Enabling EBFC to optimise utilisation of the licensed IP to support its commercial, business and strategic objectives and operation in Egypt and exporting products outside of Egypt.
- Licence and royalty payments based on a percentage of sales, to be made quarterly in arrears with the first payment due after the end of the June 2019 quarter.

The financial arrangements in the IP Licence are such that the Company is expecting to receive an income stream equivalent to the income stream it anticipated had it remained in a joint venture relationship with EBFC, but without the associated financial risks.

Edward Byrt - Chairman.

ENDS

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