



ASX ANNOUNCEMENT

28 November 2025

Executive Chair's Address to Shareholders

Papyrus Australia Limited – Annual General Meeting

Dear Shareholders,

It is my privilege to address you today at Papyrus Australia's Annual General Meeting. This past year has been one of transition and achievement, as we advanced from research and development into commercialisation, secured strategic partnerships, and strengthened our financial and governance foundations.

Technology Development

Throughout FY25, we invested heavily in scaling and refining our banana fibre processing technology. The establishment of the Rapid Prototyping and R&D Facility at the University of South Australia has been a cornerstone of this effort.

Key developments included:

- Factory acceptance testing and shipment of moulding equipment, ensuring readiness for pilot-scale production.
- Engineering design and fabrication of the primary processing unit, a critical step in scaling operations.
- Optimisation of pulp preparation design, delivering measurable improvements in energy and water utilisation, consistent with our ESG objectives.
- Breakthrough trials enabling the use of banana fibre in flat products, paving the way for commercialisation.
- Applications for several new patents to secure our intellectual property.

This facility is now positioned to become a hub for collaboration between growers, manufacturers, customers, and technology stakeholders, reinforcing Papyrus as a leader in sustainable material innovation.

Technology Commercialisation

The transition from development to commercialisation was marked by several milestones.

- **Collar Keeper® Project with TBS Mining Solutions:** I am pleased to report that subsequent to year-end, Papyrus executed a definitive contract with TBS Mining Solutions, a subsidiary of Aquirian Limited, for the manufacture and supply of biodegradable Collar Keeper® products. This contract, valued at approximately \$4.2 million over its initial term, represents our commercial launch. It validates years of development and collaboration, and positions Papyrus as the exclusive global producer of this innovative, environmentally responsible solution for the mining industry.
- **Vietnam Partnership with Thanh Dung Co (TDC):** Significant progress has been made toward establishing a high-volume production facility in Vietnam. Product trials are underway, with the aim of positioning Vietnam as a regional manufacturing hub for Papyrus products.

These initiatives demonstrate the scalability and global relevance of our technology, moving us closer to revenue-generating operations.

Financials and Funding

Our audited accounts for FY25 reflect a net loss before tax of \$2.83 million, inclusive of impairment and other non-cash expenses. Expenditure was directed toward R&D, plant and equipment, staff, IP protection, compliance, and overheads—laying the foundation for future growth.

We strengthened our financial position through a combination of equity, grants, and R&DTI loans. Notably, subsequent to year-end we secured a \$250,000 Early-Stage Commercialisation Grant under the Australian Government’s Industry Growth Program, matched by \$262,000 in investor capital. This funding base underpins our technology development and the rapid prototyping and R&D facility.

Governance and Structure

To prepare for commercialisation, we restructured our board and management team, appointing high-calibre individuals while remaining lean. Key appointments included Daniel Schmidt as CEO, Patricia Vanni as Company Secretary, and Arthur Stavrou as Non-Executive Director.

I am also pleased to report that the court action initiated against Papyrus earlier this year has now been discontinued. This resolution allows us to move forward with clarity and focus, without distraction.

Egypt JV

While complexities remain in Egypt, the board continues to pursue financial, legal, and commercial solutions relating to the joint venture. Importantly, the impairment of the carrying value does not affect our shareholding interest.

Outlook for FY26

Looking ahead, Papyrus enters FY26 with strong foundations. Our priorities include:

- Commissioning and operationalising the Adelaide R&D Facility.
- Commencing manufacturing for the biodegradable Collar Keeper® product.
- Expanding product development and market entry for banana fibre-based materials.
- Strengthening our global partnerships and funding base.

With strengthened governance, leadership, and commercial agreements now in place, Papyrus is positioned to deliver tangible outcomes and advance our expansion strategy.

Closing Remarks

FY25 has been a pivotal year. We have advanced our technology, secured commercial agreements, strengthened governance, and raised the funding necessary to accelerate growth. With the executed TBS contract and our R&D facility nearing completion, we are poised to deliver on the promise of our technology and create long-term value for shareholders.

On behalf of the Board and management team, I thank you for your continued support as we pursue our mission to deliver sustainable, high-performance products to global markets.

Thank you.



Adj. Prof. Al Jawhari

Executive Chair

Papyrus Australia Ltd

ENDS