



ASX Announcement

25 July 2024

PPYEg Consolidation update

The Directors of Papyrus Australia Ltd (“PPY”) provide the following update on the consolidation of PPYEg.

In January 2024 PPY and Egypt Banana Fibre Company (“EBFC”) executed a Share Sale & Purchase Agreement (ASX announcement: 29 January 2024) which in essence provided a share swap arrangement where EBFC would transfer its 50% interest in Papyrus Egypt LLC (PPYEg) to PPY for which the “non Papyrus” shareholders in EBFC would receive a 15% post consolidation equity interest in PPY.

Following the receipt of an independent expert report as to whether the transaction was fair and/or reasonable, PPY held a General Meeting of members on 28 June 2024 to consider and vote on the proposed transaction (ASX announcement 27 May 2024 – Notice of General Meeting) with 99.94% of votes cast in favour of the consolidation (ASX announcement 28 June 2024 – Results of GM).

Subsequent to the results of the GM, PPY sort legal advice from an Egyptian Law firm to carry out due diligence and compliance on the Egyptian side of the transaction to mitigate any potential exposure to PPY and/or its members. Unfortunately, processes in Egypt will take longer to complete than expected and it appears unlikely that PPY will be in a position to comply with ASX Listing Rule 10.13.5 which requires that the securities must be issued within 30 days from approval date, namely, 28 July 2024.

Following receipt of the legal advice from the Egyptian Law firm, PPY Board intends to call a further General Meeting for members to reconsider the consolidation.

As approved by the Board

Vince Rigano
Company Secretary

Ends