



ASX ANNOUNCEMENT

23 April 2025

Quarterly Activity Report for January to March 2025

Papyrus Australia Ltd (ASX:PPY) is pleased to report its activities pertaining to the quarter ended 31 March 2025 and the monthly Appendix 4C cash flow report released to the market on 23 April 2025.

Executive Chair Overview

I am delighted to share the progress we've made in our commercialisation projects this month.

Firstly, together with representatives from L39, we visited our Joint Venture partner, Thung Dung Co., in Vietnam. This visit not only strengthened this critical strategic partnership but also advanced due diligence for the commercialisation of our Phase 2 technology.

Thung Dung Co. showcased its extensive local expertise, unwavering dedication to the project, and established excellence in recycling wastepaper and cardboard into high-value, reusable products. These qualities make Thung Dung Co. a dependable and dynamic partner in this endeavour. The site identified for the joint venture facility offers outstanding advantages, including:

- A skilled and capable labour force.
- A consistent and plentiful supply of banana plantation waste.
- Robust logistics networks.
- Cost-efficient energy solutions.

Combined with our cutting-edge technology, these elements position this project as a promising contributor to the sustainability sector.

Secondly, on the home front in Australia, significant progress has been made toward the completion of the Rapid Prototyping and R&D facility. Simultaneously, product developments to expand our range are advancing steadily. These initiatives are vital milestones for short-term commercialisation and revenue generation, as outlined in our commercialisation roadmap.

We are also progressing as planned across the roadmap activities presented to shareholders during the 2025 AGM.

From a funding perspective, we are operating in bootstrap mode and delivering ahead of initial project budgets. To date, we have successfully raised \$200k in capital to drive our roadmap activities forward. The continued support from our shareholders is immensely encouraging as we move toward commercialisation. With disciplined cost management and a focused revenue model, we are accelerating our path to achieving commercial outcomes.

Finally, we urge shareholders and the broader market to evaluate our performance based on how we deliver against the commitments outlined in the commercialisation roadmap as well as accelerated commercial outcomes.

Highlights

- Joint Venture Site Visit in Vietnam Confirms Favourable Conditions
- Progress of feasibility for Australian commercial production facility
- Testing of prototype samples of Banana Fibre Board in flat product applications
- Ordered major equipment for the Rapid Prototyping and R&D Facility
- \$200k raised to drive the commercialisation activity

Operational Activity

1. Papyrus Australia Joint Venture site visit in Vietnam confirms favourable conditions

Papyrus' Executive Chair, Mr. Al Jawhari, and Director Mr. David Attias, recently completed an initial site visit to the proposed facility in Vietnam.

The site, designated for the conversion of banana plantation waste into sustainable, biodegradable products, underwent a comprehensive review. The assessment confirmed the site's strong suitability for the joint venture's operations, highlighting key advantages including:

- A skilled and readily available labour force
- 20,000 acres of banana plantations providing an abundant and consistent supply of banana plantation waste
- Efficient logistical infrastructure
- Competitive energy costs

This positive site assessment marks a significant step forward in the project's development, reinforcing confidence in the joint venture's potential for success. Papyrus Australia and Thanh Dung Co. are committed to advancing the project in accordance with the previously outlined key milestones.

2. Feasibility Work for Australian Commercial Production Facility

The company continues to make progress on the feasibility study for its Australian commercial production facility. Key milestones include the identification of the production location, confirmation of a sustainable waste supply, and the selection of potential offtake partners. Negotiations are actively underway to formalize agreements with these stakeholders, aligning with Papyrus' strategy to establish a robust and scalable production model domestically.

3. Sample Testing for Flat Products

Papyrus Australia has commenced sample testing for its innovative flat products. These tests are a significant step forward in demonstrating the viability and quality of these biodegradable materials for commercial use. Initial feedback from testing has been promising, and further trials are underway to optimize product performance and expand potential applications.

4. Rapid Prototyping and R&D Facility Adelaide

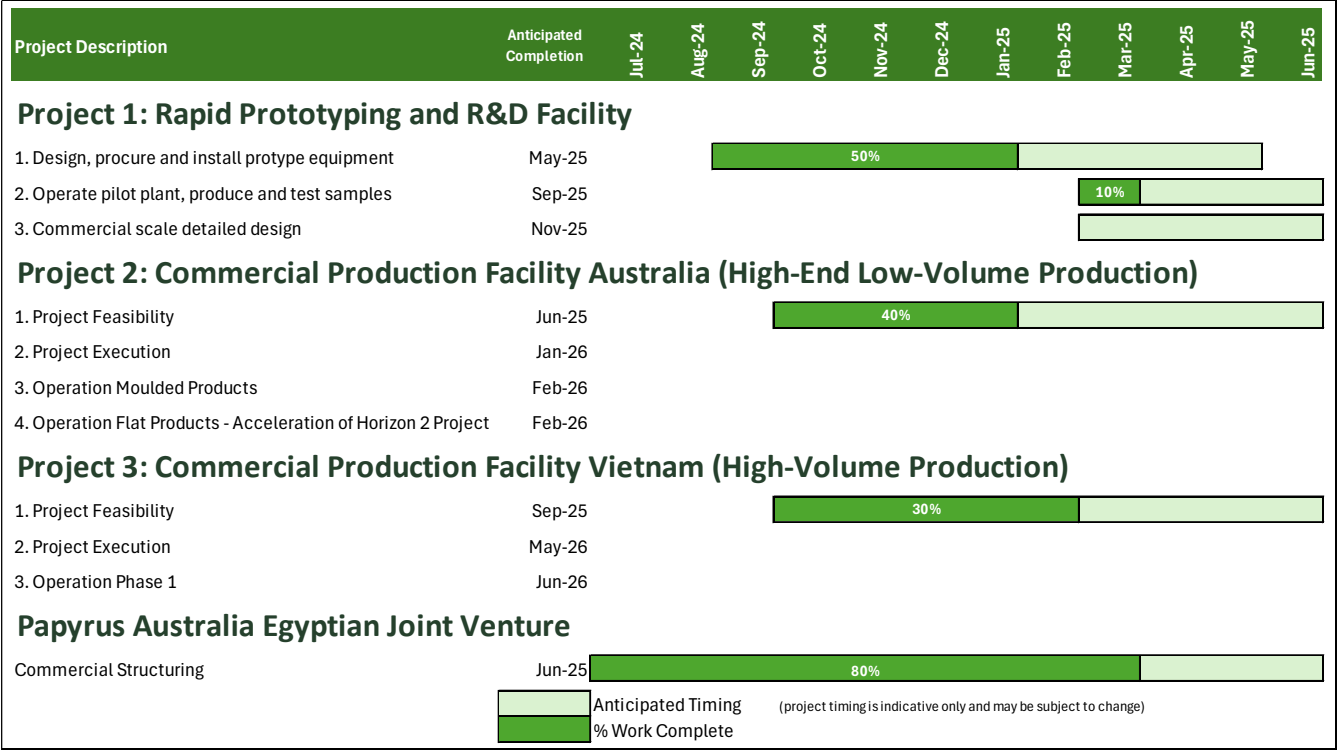
Papyrus has made a step towards the establishment of its Rapid Prototyping and R&D Facility in Adelaide. The procurement of major equipment is now complete, marking a significant milestone. This facility will serve as the creative and technical hub for rapidly developing commercially viable, eco-friendly products that align with our vision for sustainability and innovation.

Simultaneously, Papyrus has commenced the design and fabrication of scaled-up equipment prototypes, a pivotal step in advancing Phase 2 of our proprietary technology. These efforts are aimed at supporting the proposed joint venture operation in Vietnam, setting the stage for broader global collaboration and technology deployment.

5. Papyrus Australia Egyptian Joint Venture Committee

Papyrus Australia-Egyptian Joint Venture committee sustained its momentum with ongoing strategic meetings alongside the management team in Egypt. These discussions remain focused on refining and advancing the commercial structuring of the joint venture. This collaborative effort underscores Papyrus’ commitment to fostering international partnerships and creating a robust framework for shared success in the global market.

6. Commercialisation Roadmap Project Progress



Financial Activity

7. During the quarter to March 2025, the following related party payments were made:
 - \$ 6,600 to V P Rigano & Co Pty Ltd for Company Secretarial services from December 2024 to February 2025 by Vince Rigano as Company Secretary
 - \$ 685 to David Attias as Director for reimbursement of travel expenses incurred
8. A capital raise of \$ 200,000 to sophisticated investors was completed in the quarter.
9. The expenditure reported for the quarter ending in March 2025 Appendix 4C cash flow report for Papyrus relates primarily to:
 - R&D related expenditure
 - Prototyping equipment procurement costs
 - Staff, travel, compliance and other overhead costs

There were no other payments to an associate or a related party.



Al Jawhari
Executive Chair

ENDS