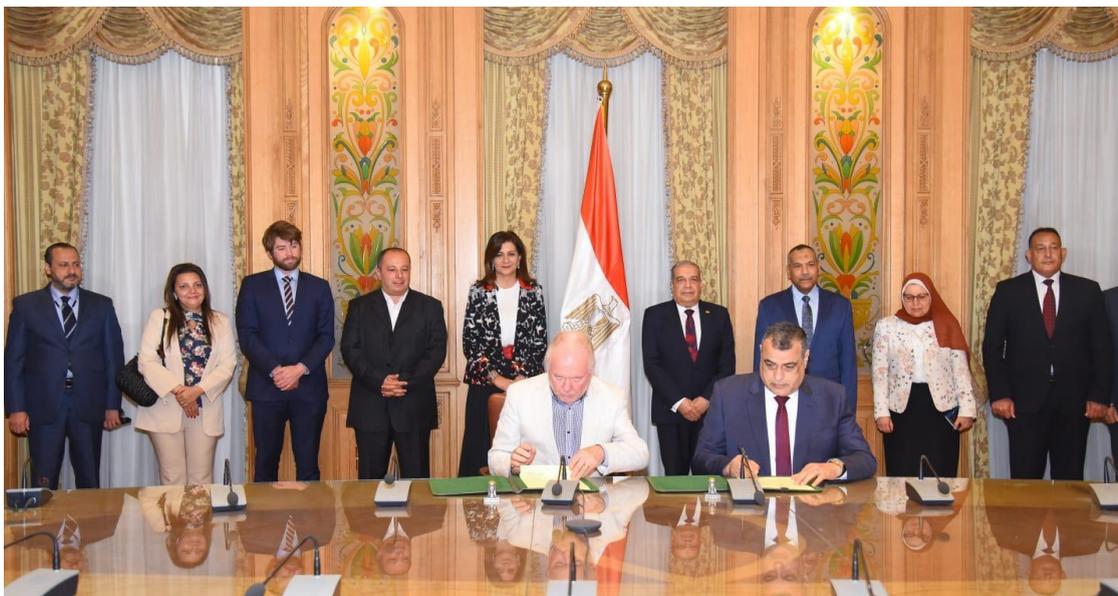


ASX ANNOUNCEMENT
7 April 2022

Papyrus signs Cooperation Protocol with the Egyptian Government’s National Authority for Military Production.

Papyrus Australia Ltd (“PPY / “Company” / “Papyrus”), developer of a world-first technology that produces environmentally friendly products from agri-waste, is pleased to announce that the Egyptian Government, via the National Authority for Military Production, has chosen Papyrus as its partner for establishing a national industry to process banana plantation waste as part of the national waste collection program. The landmark agreement was formalised with the signing of a Cooperation Protocol with the National Authority for Military Production (the Ministry).



Ratified by the Papyrus Board on 6 April 2022, the Cooperation Protocol was signed on Monday 4 April in Cairo by Vice Chairman and Managing Director of the National Authority for Military Production, Eng. M. Salah al-Din Mustafa, in the presence of His Excellency the Minister of State for Military Production, Major General Engineer Mohamed Ahmed Morsi and Minister of Immigration, Nabila Makram Abdel Shaheed. The Australian Embassy in Egypt was also represented at the signing.

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The Ministry is responsible for essential infrastructure in the country, waste collection, retrieval and transformation for economic benefit, as well as for the production of all military equipment required by Egypt.

In line with the Ministry's objective to develop green environmental business and sustainable development, the end goal of the Cooperation Protocol is establishing a national industry in Egypt to convert banana plantation waste into innovative marketable products.

With over 100,000 acres of banana plantations in Egypt (as compared to just 24,000 acres in Australia), the nation produces more than two million tons of agri-waste per year. Papyrus' modelling, based on the demonstration facility in Sohag, shows the potential for up to 40 banana plantation waste conversion factories in Egypt. Considering these estimates, the Cooperation Protocol represents a significant development opportunity for Papyrus and the Egyptian Government, and importantly enormous environmental benefits.

Currently banana plantation waste in Egypt is unused. It is costly for the industry to dispose of and contributes to high levels of methane emission as it breaks down.

By adopting the Papyrus technology to process banana plantation waste the industry will not only be making use of materials which would otherwise have gone to waste, they will also be preventing significant CO₂ equivalent emissions, rendering Papyrus' world-first technology critical in addressing this national issue.

Under the areas of cooperation outlined in the Protocol, Papyrus will work with the Ministry to licence its technology and IP to assist with:

1. manufacturing equipment, machinery, production lines and spare parts
2. the construction of conversion plants for agricultural waste
3. the production of fertilisers and agricultural fertilisers
4. the production of fiber and pulp to produce paper, cardboard and wood products
5. the production of innovative packaging products, and
6. technical support and improved process equipment over time.

Papyrus' Managing Director Ramy Azer commented that the Company is uniquely placed to assist the Egyptian Government in developing their green environmental industries.

“Given the high concentration of banana plantations in Egypt and the volume of waste produced, our world-first technology will be indispensable in addressing the current banana plantation waste issue and converting it into a commercially viable, environmentally friendly industry.

“We’re incredibly excited by the commercial and significant environmental benefits this agreement will foster,” concluded Ramy.

With the expectation from both parties that all agreements will be finalised within three months, the next steps will be to establish a joint committee to outline the timeline and structure for this venture.

Edward Byrt
Chairman