



ASX ANNOUNCEMENT

1 June 2022

Papyrus signs Protocol Roadmap 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 (the Ministry), has signed the Cooperation Protocol Roadmap with Papyrus. This is the next important step in finalising our agreements with the Egyptian Government to supply equipment and licences for its technology and IP.

Ratified by the Papyrus Board, the Cooperation Protocol Roadmap was signed in Cairo by the Vice Chairman and Managing Director of the National Authority for Military Production, Eng. M. Salah al-Din Mustafa.



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The Roadmap sets out the following key structural elements to bring the Cooperation Protocol into practice:

- To develop and sign an exclusive license agreement with the Ministry to use Papyrus technology in Egypt (except for the existing Papyrus factory)
- To develop and sign a purchase agreement for the Ministry to buy one full banana fibre processing production line from Papyrus
- The fibre processing factory(s) will be operated by the Ministry
- Papyrus will be the sole distributor of the output of the future factory(s)
- In a 2nd phase of the project Papyrus will provide a further licence to the Ministry to allow it to fabricate in Egypt certain parts of the production line for future factories in order to increase the local origin parts. Papyrus retains the right to supply the integrated control systems and specialised components.

The Roadmap provides the foundation and framework for the final detailed agreements and contracts with the Egyptian Government that will support the procurement of equipment, construction and commissioning of the first and future factories and the ongoing support for the banana waste processing facilities utilising Papyrus' technology.

Papyrus' Managing Director Ramy Azer commented that the Roadmap outlines the key building blocks required to build its first scale production facility with a strategic partner.

"Given the focus of the Ministry to support green industries I am very confident that the factory will be a great success.

"Egypt produces approximately two million tons of banana plantation waste per year which is currently unused and contributes to greenhouse gas emissions as it breaks down.

"We are incredibly excited to harness this agri-waste, creating a commercially viable green industry for Egypt and significantly reducing greenhouse gas emissions at the same time," concluded Ramy.

With this Roadmap completed Papyrus will now work with the Ministry to finalise the individual agreements and contracts over the next three months, through the joint committee established in the Cooperation Protocol.

Edward Byrt
Chairman

END