



ASX ANNOUNCEMENT

5 July 2022

Papyrus receives grant funding from the European Bank for Reconstruction and Development.

Highlights:

- **EBRD provides funding for the development of a five-year business plan for the commercialisation of the Papyrus Egypt demonstration plant**
- **This underpins an expansion in Egypt which has an estimated 6.7m tonnes of banana plantation waste each year that could be processed using Papyrus' technology**
- **The business plan also provides a model for expansion into Africa**
- **Africa has an estimated 1.5b tonnes of banana plantation waste each year that could be processed using Papyrus' technology**

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 European Bank for Reconstruction and Development (EBRD) will provide funding support for the development of a five-year business plan for the full commercialisation of the Papyrus production facility in Sohag, Egypt and the anticipated expansion of Papyrus in Egypt.

SME Partners, an independent international business advisory service, has been engaged to prepare the EBRD funded business plan which will look at the growth over the next five years, the profitable utilisation of production facilities in Egypt, employment in local communities and the reduction of agricultural waste and its negative impact on the surrounding environment.

While the plan has a focus on the existing Papyrus facility in Egypt, the EBRD funded business plan will also provide the basis and platform for the future expansion of the technology and production facilities in the region. Importantly this includes Africa, where 60% of the world's banana and plantain is grown. With some 16 million acres of plantation, the estimated 1.5b tonnes of plantation waste produced each year provides enormous potential to be converted to value-add products with Papyrus' technology.

The Papyrus technology has global significance as the patented chemical-free process converts banana plantation waste material that otherwise negatively contributes to climate change and an already deteriorating environment. The global benefits of the technology include:

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- Producing useful products from an abundant supply of agri-waste, using a zero-waste process
- Reducing the use of disposable plastic used in food packaging
- Reducing the creation of methane gas caused from the decomposition of banana plantation waste

This project will significantly benefit Papyrus' Egyptian business and help propel this innovative Australian technology onto the world stage, as it promotes a circular economy and produces valuable product from waste material with a process that has no negative environmental impact.

Founded in 1991 and active in almost 40 economies across the Mediterranean, Europe and Asia, the European Bank for Reconstruction and Development invests in changing lives, safeguarding the environment and a commitment to sustainable energy. The EBRD activities seek to make economies more competitive, well-governed, green, inclusive, resilient, and integrated. These six transition qualities align with the UN Sustainable Development Goals.

The EBRD made an explicit commitment to promote 'environmentally sound and sustainable development' at its founding. Australia was a founding member and contributor, and Egypt has been a member since 1991, benefiting from 146 EBRD projects to date.

The EBRD is committed to furthering progress towards 'market-oriented economies and the promotion of private and entrepreneurial initiative' with emphasis on the private sector as the main driver for change. Bringing external capital from both private and public sources, EBRD is committed to ensuring that, by 2025, the majority of their business volume is green. The EBRD continues to progress plans for expansion of its support into sub-Saharan Africa.

Papyrus Australia appreciates and values the support provided by the EBRD for this project and looks forward to the possibility of working with the EBRD on future projects to expand the application of the technology to support its sustainability goals.

Papyrus Australia's Managing Director Ramy Azer said "the involvement of the EBRD in providing funding for the business plan, is an exciting opportunity for Papyrus. The business plan will provide a model for the application of the developed patented chemical-free Papyrus technology that converts banana plantation waste material into the global market."

Edward Byrt
Chairman

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