



ASX Announcement

1 August 2022

Egyptian Government and EBRD officials visit the Papyrus plant in Sohag

Key highlights

- Egyptian Government officials from the Ministry of Military Production (the Ministry) and delegates from the European Bank of Reconstruction and Development (EBRD) visit the Papyrus plant in Sohag
- The visit precedes the sale of the first Papyrus factory to the Ministry later this year
- Papyrus is currently in final preparations to upscale banana waste fibre processing in its Sohag factory targeting to triple the production capacity, representing a full-scale demonstration plant

Papyrus Australia Ltd (“PPY / “Company” / “Papyrus”), developer of a world-first sustainable technology that produces environmentally friendly products from agri-waste, welcomed Egyptian Government and EBRD officials at its plant in Sohag, Egypt late in July 2022.

The representatives were welcomed by Papyrus Managing Director, Ramy Azer as they toured the factory, observing the innovative banana fibre processing technology and equipment first-hand.

The visit precedes the first Papyrus factory sale to the Ministry later this year as outlined in the Cooperation Protocol Roadmap between the two organisations, signed in May 2022.

As outlined in the Roadmap, the factory will be operated by the Ministry and Papyrus will be the sole distributor of the factory outputs.

Mr Azer commented on the importance and timeliness of the visit.

“After years of research, development and fine-tuning, we were thrilled to showcase our technology and equipment to the Ministry ahead of their first factory purchase.”

Responsible for essential infrastructure in Egypt, including waste collection, the Ministry is an important strategic partner for Papyrus.

“The Ministry has demonstrated their strong commitment to developing a green economy and sustainable development, a value which echoes our own mission.

“In addition, Egypt produces more than two million tons of agri-waste per year. Based on that quantity and the modelling from our Sohag factory, we estimate there is potential for up to 40 banana plantation waste conversion factories in Egypt.

“This coupled with the Ministry’s commitment to a green economy, provides an enormous opportunity to convert the currently unused waste into valuable products, reducing both the need for producing plastic and forest-sourced products and greenhouse gas emissions that would have been created as the waste decomposed.

The visit from the EBRD delegates follows the recent decision to provide funding support to Papyrus. The funding will be used to develop a five-year business plan for the full commercialisation of the Sohag plant, the anticipated expansion of Papyrus in Egypt, and then in Africa. With a potential 1.5b tonnes of eligible agri-waste produced each year in Africa, the continent provides enormous potential.

“We are incredibly excited at the prospect of working with both the Ministry and EBRD to roll our technology out across Egypt and beyond, harnessing existing agri-waste for the benefit of the environment.

The visit to the Sohag factory comes at an important time, as Papyrus completes final preparations to upscale the factory, targeting to triple the production capacity.

“The team has just finished the installation of the primary processing equipment and successfully completed standalone commissioning of each of the process steps,” said Mr Azer.

“The focus is now completion of the installation of connecting infrastructure and control systems prior to final commissioning.

This increase in processing capacity represents a full-scale demonstration plant and is a crucial next step towards commercialising our technology,” he concluded.

Edward Byrt
Chairman

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