



25 August 2020

Mr Alex Sutton
Compliance Adviser, Geology, Listed Compliance
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Alex,

Papyrus Australia Limited

We refer to your letter of 25th August 2020 in which several matters were raised in regards to the movement in share price of the Company in the last few days, and the volume of PPY's securities traded from 24 August 2020 to 25 August 2020. In response to your queries, we advise as follows:

1. Please answer the following:

- a) Is PPY aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

No the company is not aware of any information that could explain the recent movement in price or the recent trading in its securities.

In responding to this question, please consider in particular whether PPY is aware of any information that its earnings for the 12 month period ending on 30 June 2020

- (a) Are likely to differ materially (downwards or upwards) from any earnings guidance it has given for the period;

No, PPY is not aware of any information that would materially impact (downwards or upwards) from any earnings guidance it has given for the period.

- (b) If PPY has not given any earnings guidance for the period, are otherwise likely to come as a surprise to the market?

Papyrus Australia Limited

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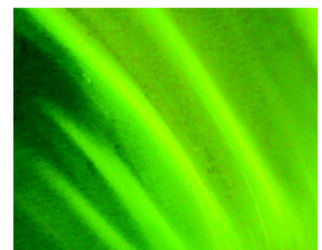
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PPY has not given any earnings guidance for the period, and any earning guidance it may provide will not come as a surprise to the market.

2. If the answer to question 1 is “yes”.

- (a) Is PPY relying on listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in PPY’s securities would suggest to ASX that such information may have ceased to be confidential and therefore PPY may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

No

- (b) Can announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss the situation.

No

- (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

There is no material information requires an announcement to be made, the company continues to maintain its continuous disclosure requirements in accordance with the ASX Listing Rules

3. If the answer to question 2 is “no” is there any other explanation that PPY may have for the recent trading in its securities?

The company is not aware of any reason for the recent trading in its securities.

4. Please confirm that PPY is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

PPY is in compliance with The Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that PPY’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of PPY with delegated authority from the board to respond to ASX on disclosure matters.

The responses to the above questions have been authorised by the Board.

Yours sincerely

A handwritten signature in black ink, appearing to read "Rigano", with a stylized, sweeping flourish extending from the end.

Vince Rigano

Company Secretary



25 August 2020

Mr Vince Rigano
Company Secretary
Papyrus Australia Limited
Level 2, 2 Peel St
Adelaide, SA 5000

By email:

Dear Mr Rigano

Papyrus Australia Limited ('PPY'): Price - Query

ASX refers to the following:

- A. The change in the price of PPY's securities from a low of \$0.009 to a high of \$0.03 in the last few days.
- B. The significant increase in the volume of PPY's securities traded from 24 August 2020 to 25 August 2020.

Request for information

In light of this, ASX asks PPY to respond separately to each of the following questions and requests for information:

1. Is PPY aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

In responding to this question, please consider in particular whether PPY is aware of any information that its earnings for the 12 month period ending on 30 June 2020:

- (a) are likely to differ materially (downwards or upwards) from any earnings guidance it has given for the period; or
 - (b) if PPY has not given any earnings guidance for the period, are otherwise likely to come as a surprise to the market?
2. If the answer to question 1 is "yes".
 - (a) Is PPY relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in PPY's securities would suggest to ASX that such information may have ceased to be confidential and therefore PPY may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
 3. If the answer to question 1 is "no", is there any other explanation that PPY may have for the recent trading in its securities?
 4. Please confirm that PPY is complying with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that PPY's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of PPY with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **02:00 PMAEST Tuesday, 25 August 2020**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, PPY's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require PPY to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in PPY's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in PPY's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to PPY's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that PPY's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Alex Sutton

Alex Sutton

Compliance Adviser, Geology, Listings Compliance (Sydney)