

ASX RELEASE
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PAPYRUS SIGNS PHASE ONE CONTRACTS WITH THE EGYPTIAN GOVERNMENT

Papyrus Australia Ltd. (Papyrus), developer of a world-first sustainable technology that creates biodegradable food packaging and organic fertilisers from agricultural waste, is pleased to announce it has signed phase one contracts with the Egyptian Government on Sunday 30 October 2022 through its Egyptian commercial entity Papyrus Egypt. These phase one contracts cover:

1. the sale of banana fibre moulding line equipment,
2. a moulded banana fibre product offtake agreement.

This is a key milestone for Papyrus in the Cooperation Protocol Roadmap which was signed with the Egyptian Government's Ministry of Military Production earlier this year.

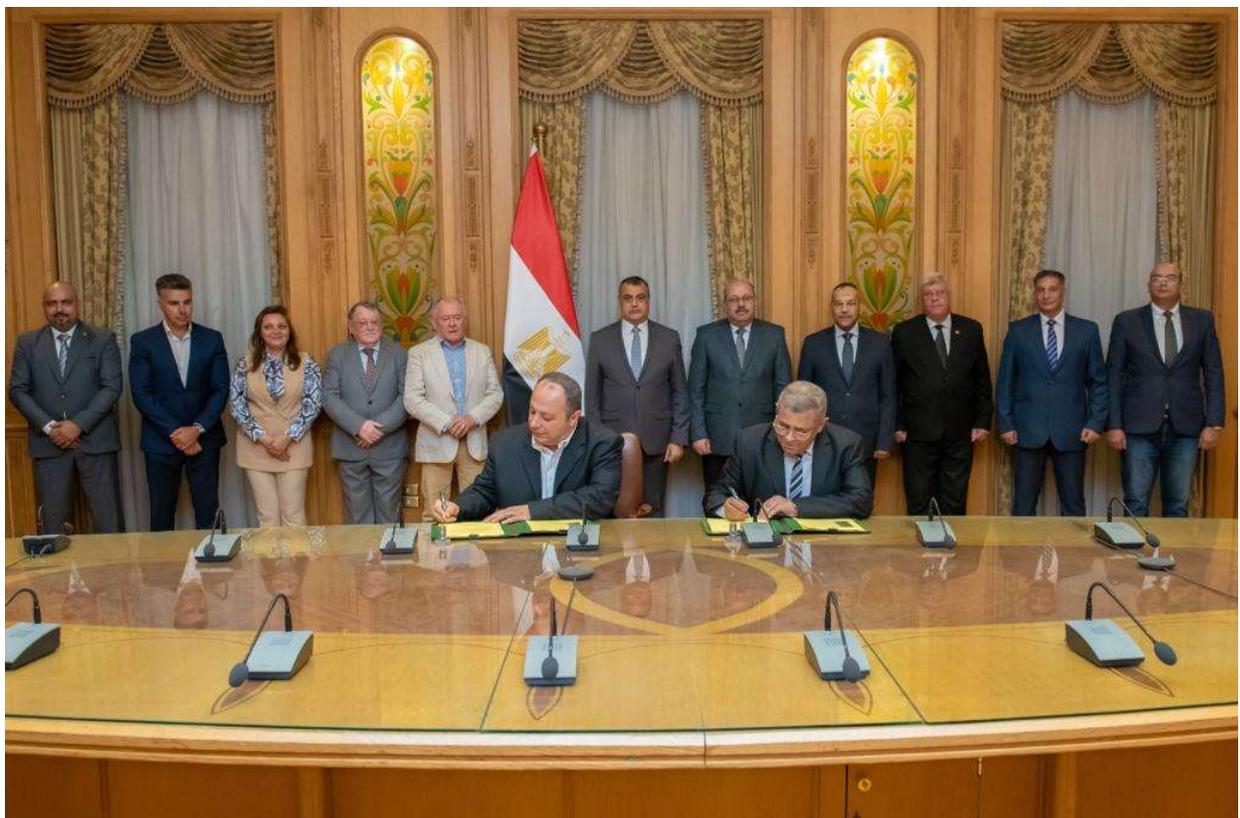


Image: Signing Ceremony

The contract to supply, install and commission a new production facility for moulded products made directly from banana fibre is a significant step forward in commercialisation of the Papyrus technology. With signed phase one contracts now in place, Papyrus' priority will be the supply, installation and commission of the new banana fibre moulding plant for the Egyptian Government. In addition to commissioning the plant, Papyrus will support the Egyptian Government in training on all aspects of the operation of the moulding line to ensure its success.

The banana fibre moulding plant will initially be supplied exclusively with fibre from Papyrus' Sohag factory, before it is later expanded to include the processing of banana plantation waste, becoming self-sufficient for its feed material.

The plant will convert 100% refined banana fibre into a range of biodegradable, sustainable moulded food packaging products including egg trays, fruit trays and cup holders. Once set up, the plant will have the capacity to process 2,500 tonnes of banana fibre per year, producing approximately 35 million pieces of food packaging annually.

The second main component of the phase one contracts is the moulded banana fibre product offtake agreement which will see Papyrus Egypt procure all moulded products produced from the banana fibre moulding line to sell through its distribution network in Egypt. When producing at full capacity this additional production has the potential for more than \$1.5m USD in additional end product sales annually by Papyrus Egypt.

"This is an exciting step towards realising the enormous potential of the Papyrus technology," said Papyrus' Managing Director, Ramy Azer.

"Banana plantation waste is a key environmental issue in Egypt and throughout Africa as it produces significant methane emissions when it decomposes.

"We are thrilled to have the opportunity to work with the Egyptian Government, providing the technology and training to allow them to work towards their goal of managing the waste from Egypt's banana industry," he concluded.

Edward Byrt
Chairman