



ASX Announcement

12 August 2024

Funding Arrangements

Papyrus Australia Ltd (ASX: PPY) (“Company”) advises that on 10 August 2024 it signed a Funding Agreement by way of a “draw down loan facility” for \$250,000 with Mr Ramy Azer, PPY’s former managing director and current major shareholder.

The terms of the “loan facility” are as follows:

- Loan is unsecured and will be repayable from future revenues or from the proceeds of any future equity raisings and subject to not materially prejudicing the ability of the Company to repay its creditors.
- Loan can be drawn down in tranches of \$50,000.
- Interest payable on borrowed money is based on the rate of interest payable by National Australia Bank Limited on “Usaver savings account rates” or, “12 months term deposit rates” (whichever is greater) plus 1%

This new Funding Agreement replaces the former funding agreement that the Company had in place with Talisker (SA) Pty Ltd, a company fully owned by major shareholder Ramy Azer and his wife Phoebe Azer (*ASX Announcement 11 October 2012*)

The making of the “Funding Agreement” loan facility is recognised as a related party transaction within the meaning of Chapter 2E of the *Corporations Act 2001* but is considered to be on terms that are fair and reasonable to the Company and are significantly more favorable to the Company than would otherwise be available from any arm’s length financier. The loan will be used for working capital purposes

Ends