

ASX Announcement

21 August 2025

**Supplementary Announcement to ASX Announcement date 20 August 2025
“PPY signs Biodegradable Boards Offtake Term Sheet with AQN”**

Papyrus Australia Ltd (“PPY”) clarifies it has not entered into an agreement with AQN as indicated in the header of the announcement (*ASX Announcement 20 August 2025*) but has entered into a binding term sheet, and in Accordance with Listing Rules, it provides the following additional information:

- The Term Sheet has two specific conditions, namely:
 1. PPY establishes a production facility to produce the products, which is expected to be commissioned in Q4 FY26
 2. The production samples, meet the product specifications in the term sheet, as demonstrated in the initial testing and field trials which were complete in May 2025.
- The 3year term referred to in the Term Sheet commences when point 1 & 2 referred to above are completed.
- Papyrus is in the process of finalising a production location in Adelaide for the facility. The establishment of the production facility remains subject to various approval, consent and the company obtaining the requisite investment funding.
- There is no immediate revenue while the facility is being established. Revenue will commence once the facility is completed and production commences.

Vince Rigano
Company Secretary

Ends

