

ASX ANNOUNCEMENT

29 August 2025

Monthly Activity Report for July 2025

Papyrus Australia Ltd (ASX:PPY) is pleased to report its activities pertaining to the month ended 31 July 2025 and the monthly Appendix 4C cash flow report released to the market on 29 August 2025.

Executive Chair Overview

Papyrus Australia continues to build momentum, with July marking another month of meaningful progress across our core operational initiatives.

The Rapid Prototyping and R&D Facility has reached a key milestone with the successful factory acceptance testing of moulding equipment. Assembly of the primary processing unit is underway, and engineering design work is progressing to scale our technology from lab to commercial readiness. This facility is central to our technology scale up.

Meanwhile, planning for our Commercial Production Facility in Australia is advancing well. Following successful product trials and encouraging customer feedback, we are progressing negotiations for a product offtake agreement and conducting detailed reviews of equipment and site options for the facility.

These developments reflect our commitment to translating innovation into commercial outcomes, underpinned by a clear strategy and strong execution. We remain focused on delivering sustainable impact and long-term value.

Highlights

- Rapid Prototyping and R&D facility progress
- Commercial Production Facility advancing

Operational Activity

1. The Papyrus Rapid Prototyping & R&D Facility

Assembly of the primary processing unit is progressing, alongside continued engineering design work to support prototype development and technology scale-up. Factory acceptance testing for the moulding equipment has been successfully completed.

This small-scale prototype plant will enable the transition of Papyrus technology from laboratory scale to commercial design. The focus remains on optimising the primary processing and pulp preparation stages to produce banana fibre pulp compatible with existing wet moulding equipment.

2. Papyrus Commercial Production Facility Australia

Following successful trials and customer testing of our banana fibre boards, Papyrus is advancing negotiations for a product offtake agreement from the proposed facility. In parallel, detailed reviews of equipment specifications and potential site locations are progressing well.

Financial Activity

3. During the month of July 2025, no related party payments were made.
4. Papyrus Australia received funds of \$40,000 in July 2025 from the exercise of options by the Executive Chair Al Jawhari.
5. Papyrus Australia also received \$25,000 in July 2025 from initial deposits for the capital raise completed 4 August.
6. In line with the accounting standards and as it prepares to release its 2025 Audited Financial Results, PPY has determined that the carrying value of the investment in PPYEg and EBFC will be written down to Nil.
7. The expenditure reported for the month ending in July 2025 Appendix 4C cash flow report for Papyrus relates primarily to; staff, compliance and other overhead costs.

There were no other payments to an associate or a related party.

As approved by the Board.



Al Jawhari

Executive Chair

ENDS