

## ASX ANNOUNCEMENT

10 September 2009

### PAPYRUS TO LAUNCH PRODUCTS AT MONACO YACHT SHOW

As previously announced, after a rigorous and considered search locally and world-wide and having confirmed the market demand for its products at premium pricing in Europe, the Company has entered into a new sales and distribution agreement with 3W Tout Bois, a specialist veneering and timber product distributor based in Monaco.

In accordance with the agreement Papyrus is supplying samples of its decorative veneer and fibreboard to 3W Tout Bois in preparation for a launch of its products at the Monaco Yacht Show <http://www.monacoyachtshow.com/index.shtml> and has jointly developed the brand name "Beleaf" to promote the products at the Yacht Show and throughout Europe in the building, furniture and leisure market (including motor vehicles and yachts).



It should be noted that Papyrus has established considerable interest in other lucrative markets including printing and stationery, general packaging and food packaging. The decision to enter the European market is mainly attributed to the volume of product required, the highest product value achievable and quality of distributor.

The international launch of the Papyrus decorative veneer and fibreboard products will be held at the Monaco Yacht Show with the Company's partner 3W Tout Bois, beginning on the 21<sup>st</sup> September, 2009 for a period of five days. Our partner has selected the Monaco Yacht Show to launch and exhibit our Beleaf products in Europe because the consumers in this market are attracted to the unique properties of our products which include:

- fire retardancy
- moisture resistance
- high strength to weight ratio and
- marketability.

Papyrus Australia Limited believes that this demonstration will facilitate entry into market segments such as furniture, yachts and other architectural markets throughout Europe.

In support of the Company's visit to Europe, Papyrus has engaged a European public relations company to promote both the Beleaf products and the Company's technology in general. The first article promoting the Company and the Beleaf products has been published in an Italian newspaper magazine. The article has been written in Italian and can be referred to on the Company's website.

The products to be exhibited at the Monaco Yacht Show have been supplied to 3W Tout Bois from the Company's Walkamin factory, located in Northern Queensland. The Company continues to implement its engineering and production plan and reports that it has achieved batch production of its products and is now progressing towards continuous production.