

ASX Announcement

1 July 2024

Appointment of Executive Director - clarification

Papyrus Australia Ltd (ASX:PPY) provides clarification and additional information on the market release titled "PPY appoints new director on 4 June 2024" and "Change of directors interest notice on 14 June 2024" as follows;

PPY appoints new director

At the time of the announcement to the market regarding the appointment of Al Jawhari as an executive director of PPY, no financial arrangement or formal agreement was in place, accordingly the release did not disclose any financial benefits as required by Listing Rule 3.16.4 which states: "If the entity is not 'externally managed trust, the material terms of any employment, services or consultancy agreement it or 'a child entity enters into with:

- Any of its directors, or
- Any other person or entity who is a related party of any of its directors

And any material variation to such an agreement."

An Appendix 3b was released (ASX Announcement: 12 June 2024) which detailed the terms of unlisted options to be issued to Mr Jawhari that were approved by the board following his appointment and that ARE subject to shareholders approval at PPY's next AGM. Which are detailed as follows:

Tranche 1 – 6,000,000 unlisted options to be issued for nil cost, with an option conversion price of 2 cents per option converted and an expiry date of 2 years from issue date.

Tranche 2 – 6,000,000 unlisted options to be issued for nil cost, with an option conversion price of 4 cents per option converted and an expiry date of 4 years from issue date. The options will vest 12 months after the issue date provided the executive director is still engaged by PPY.

Change of director's interest notice

An Appendix 3Y change of directors' interest notice (ASX Announcement: 14 June 2024) was released to the market which reflected the proposed issue of unlisted options referred to above. However, as no options were issued and will only be issued upon shareholders approval at the AGM, the Appendix 3Y is incorrect and will be lodged within 5 days of the issue of the options.

Vince Rigano
Company Secretary

Ends