

ASX ANNOUNCEMENT

23 April 2026



Response to ASX Direction – Continuous Disclosure Review

Papyrus Australia Ltd (ASX:PPY) (**'Company'**) makes this announcement pursuant to a direction from ASX under ASX Listing Rule 18.8.

Background

The Company refers to the announcement released on 31 March 2026 titled 'Monthly Activity Report for February 2026' in which PPY referred a loan facility for \$500k in place with a group of investors introduced through L39 Pty Ltd (**'Investors'**) which was set to mature on 7 April 2026 (**'Facility'**).

The Company advises that on 20 April 2026 it received correspondence from ASX directing the Company to make an announcement to the market that it has breached its obligations under ASX Listing Rule 3.1 as set out in the paragraph below.

Undisclosed Information

The Company was not automatically required to repay the Facility on the maturity date. Under the Facility, the maturity date is the first day that the investor can provide 30 days' notice of a request for repayment. At the time, the Company and the Investors were negotiating to convert the loans in the Company's capital raise. On the 6 of April, during these negotiations the Investors agreed to not request repayment of the Facility prior to 30 June 2026. ASX is of the view that the Company's failure to announce that the Facility had been extended to 30 June 2026 is not in compliance with ASX Listing Rule 3.1.

Review and Continuous Disclosure Commitment

The Company currently has a Continuous Disclosure and Communication Policy in place which is intended to ensure that it complies with its obligations under ASX Listing Rules 3.1 and 3.1A and also to ASX Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B. The Company will undertake a review of the Continuous Disclosure and Communication Policy and its internal processes, and implement appropriate controls to ensure compliance with its continuous disclosure obligations. The Company will ensure that the Company's Board and its senior management:

- have a clear and consistent understanding of the Continuous Disclosure and Communication Policy and the Company's continuous disclosure obligations, and those obligations are embedded in the Company's governance framework; and
- receive training on the Company's continuous disclosure obligations to ensure that they are in a position to manage future disclosure events.

The Board is committed to ensuring timely and accurate disclosure of material information to the market, consistent with its continuous disclosure obligations.

Authorised for release by:

The Board of Papyrus Australia Ltd

ENDS