



Announcement Summary

Entity name

PAPYRUS AUSTRALIA LIMITED

Announcement Type

New announcement

Date of this announcement

14/8/2026

The Proposed issue is:

A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	UNSECURED CON NOTES EX\$0.009 (floored at \$0.0075 &capped at \$0.009) EXPIRING 2 YEARS FROM ISSUE DATE	535,000
New class-code to be confirmed	OPTIONS EX AT \$0.015 EXPIRING TWO YEARS FROM ISSUE DATE	35,666,667
New class-code to be confirmed	OPTIONS EX AT \$0.015 EXPIRING TWO YEARS FROM ISSUE DATE	9,620,533
PPY	ORDINARY FULLY PAID	19,241,067

Proposed +issue date

6/11/2026

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

PAPYRUS AUSTRALIA LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

110868409

1.3 ASX issuer code

PPY

1.4 The announcement is

New announcement

1.5 Date of this announcement

14/8/2026

1.6 The Proposed issue is:

A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	30/10/2026	Estimated	No

Comments

Shareholder approval is required for the issue of unsecured convertible notes and any free attaching options to the shares issued upon conversion and any eventual interest shares and their respective free attaching options to the extent Listing Rule 7.1 capacity is insufficient and also for the purposes of ASX LR 10.11 as related party involved in one of the loans.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

New class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

UNSECURED CON NOTES EX\$0.009 (floored at \$0.0075 &capped at \$0.009)
EXPIRING 2 YEARS FROM ISSUE DATE

+Security type

+Convertible debt securities

**Number of +securities proposed to be issued**

535,000

Offer price details**Are the +securities proposed to be issued being issued for a cash consideration?**

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 1.00000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

+Convertible debt securities details**These securities are:**

Convertible

Type of security

Convertible note or bond

+Security currency

AUD - Australian Dollar

Face value

AUD 1.0000

Interest rate type

Fixed rate

Frequency of coupon/interest payments per year

Quarterly

First interest payment date

6/1/2027

Interest rate per annum

12.00000 %

Is the interest rate per annum estimated at this time?

No

s128F of the Income Tax Assessment Act status applicable to the +security

Not applicable

Is the +security perpetual (ie. no maturity date)?

No

Maturity date

6/11/2028

Select other features applicable to the +security

None of the above

Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?

No

**Details of the type of +security that will be issued if the securities are converted, transformed or exchanged**

PPY : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

71,333,333 fully paid ordinary shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please refer to the ASX announcement released today. Further details will be released in the General Meeting Notice of Meeting which will be released soon

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued**ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)**

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security descriptionOPTIONS EX AT \$0.015 EXPIRING TWO YEARS FROM
ISSUE DATE**+Security type**

Options

Number of +securities proposed to be issued

35,666,667

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Nil consideration as free attaching options to the convertible notes.
1 Option for every 2 Conversion Shares.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

321,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes



Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0150

Expiry date

6/11/2028

Details of the type of +security that will be issued if the option is exercised

PPY : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

35,666,667 fully paid ordinary shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

Please refer to the ASX announcement released today. Further details will be released in the General Meeting Notice of Meeting which will be released soon.

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

Yes

Details of +securities proposed to be issued

ASX +security code and description

PPY : ORDINARY FULLY PAID

Number of +securities proposed to be issued

19,241,067

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.00900

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes



Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?

New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities do not have +CDIs issued over them)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

No

ASX +security code

New class-code to be confirmed

+Security description

OPTIONS EX AT \$0.015 EXPIRING TWO YEARS FROM ISSUE DATE

+Security type

Options

Number of +securities proposed to be issued

9,620,533

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

No

Please describe the consideration being provided for the +securities

Nil consideration as these are free attaching options to the interest paid in shares,

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

86,584.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0150

Expiry date

6/11/2028

Details of the type of +security that will be issued if the option is exercised

PPY : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

9,620,533 fully paid ordinary shares

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities



proposed to be issued or provide the information by separate announcement.

Please refer to the ASX announcement released today. Further details will be released in the General Meeting Notice of Meeting which will be released soon.

Part 7C - Timetable

7C.1 Proposed +issue date

6/11/2026

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

30/10/2026

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

Yes

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

L39 Capital Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

6% of con note value and options equivalent to \$30,000

7E.2 Is the proposed issue to be underwritten?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue



Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Progress the Company's commercialisation activities and to support delivery of the Company's contract with TBS Mining Solutions Pty Ltd, as well as for working capital purposes.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:
The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)