



**ASX ANNOUNCEMENT**  
**27 November 2007**

**MANAGING DIRECTOR INCREASES SHAREHOLDING IN PYPYRUS AUSTRALIA LTD**

Papyrus Founder and Managing Director, Mr Ramy Azer, has increased his stake in the Company by 634,413 ordinary shares as detailed in the Appendix 3B notice and related notices made to the ASX on 23<sup>rd</sup> November 2007.

Mr Azer elected to convert a loan liability from the Company to additional shares and this was ratified by shareholders at the Papyrus AGM held on 19<sup>th</sup> November 2007.

"The Board considers that this action by our Managing Director and Founder is further evidence of Mr Azer's confidence in the future value of the Company," said Papyrus Australia's Chairman Dr David Wyatt.

"Since the listing of the Company in April 2005 Mr Azer has consistently demonstrated his confidence by continuing to hold all of his original equity which is now being increased," he said.

"Furthermore, the clearance of this loan liability of \$313,654 further strengthens our balance sheet without any cash flow consequences," he said.

Mr Azer now holds 35.9% of the voting shares of the Company.

**About Papyrus**

Papyrus Australia Ltd listed on the Australian Stock Exchange in April 2005 to develop and commercialise proprietary technology that converts banana trunk fibre into banana ply material. The Company has recently completed the first Commercial Manufacturing Line to produce the banana ply material that utilises a cost effective, environmentally sustainable process with low energy usage and no requirement for water during manufacture.

This material has highly desirable physical properties (low flammability, high wet strength and barrier properties) and will complement existing paper manufacture and marketing operations by providing raw material for the development of products with a broad array of applications.

The Company has been awarded a Commercial Ready Grant of \$1.2M through Ausindustry, to take its technology through to commercial production. Bananas are grown in over 160 countries, making the raw material a readily available and renewable resource. [www.papyrusaustralia.com.au](http://www.papyrusaustralia.com.au)

Further information:

Mr Vince Rigano (Company Secretary) 08 8223 5133 or 0419 235 133

Or Dr David Wyatt (Chairman) 0419 786 042

For personal use only