

**DISCLOSURE NOTICE – CORPORATIONS ACT 2001 –
s.708A(5)(e)**

**FOR RELEASE TO THE MARKET
PAPYRUS AUSTRALIA LIMITED
(ASX CODE: PPY)
ACN: 110 868 409**

Notice under section 708A (5) (e) of the Corporations Act (the Act)

The Company advises that the following ordinary shares in the Company have been issued as a result of an acquisition agreement executed on 23rd October 2009:

- 459,460 ordinary shares at thirty seven cents (\$0.37) per share.
- 815,491 ordinary shares at forty four cents (\$0.44) per share.

This notice is issued pursuant to Section 708A(5)(e) of the Act and the Company advises that:

1. The relevant securities are in a class of securities that were quoted securities at all times in the 12 months before the day on which the relevant securities were issued.
2. Trading in that class of securities on the prescribed financial market on which they were quoted was not suspended for more than a total of five days in that 12 month period (or not at all).
3. No exemption under Section 111AS or 111AT of the Act covered the issuer, or any person as director or auditor of the issuer at any time in that 12 month period
4. No order under Section 340 or 341 of the Act covered the issuer or any person as director or auditor of the issuer at any time in that 12 month period.

The Company has issued the shares without disclosure to investors under Part 6D.2 of the Act.

5. At the date of this Notice, the issuer has complied with:
 - The provisions of Chapter 2M of the Act as they apply to the issuer; and
 - Section 674 of the Act.
6. At the date of this Notice, there is no information that is “excluded information” required to be set out pursuant to sections 708A (7) or (8) of the Act.

The Appendix 3B in respect of the issue was released to the market on 23rd October 2009.

Dated: 30th October 2009

Papyrus Australia Limited



**Vince Rigano
Company Secretary**