

OFFER BOOKLET

AUCYBER LTD ACN 622 728 189 (ASX:CYB)

For a pro rata renounceable Entitlement Offer to Eligible Shareholders on the basis of 1 New Shares for every 3.57 existing Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.06 per New Share to raise approximately \$2.75 million (before costs) (**Entitlement Offer**).

The Entitlement Offer opens on 28 March 2025 and closes at 5.00pm (AEST) on 8 April 2025 (unless it is lawfully extended). Valid acceptances must be received before that time.

The Entitlement Offer is only made to Shareholders whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

Applications for New Shares by Eligible Shareholders can only be made by using or following the instructions on an Entitlement and Acceptance Form, as sent with this Offer Booklet. The Entitlement and Acceptance Form sets out the Eligible Shareholders' Entitlement to participate in the Entitlement Offer.

Please read the instructions in this Offer Booklet and on the accompanying Entitlement and Acceptance Form.

This document is not a prospectus and does not contain all of the information that an investor may require in order to make an informed investment decision regarding the New Shares offered by this document.

1. IMPORTANT INFORMATION

No person is authorised to give any information or to make any representation in connection with the Entitlement Offer which is not contained in this Offer Booklet. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Entitlement Offer.

This document is not a prospectus

This Offer Booklet is dated 20 March 2025, has been prepared by AUCyber Ltd ACN 622 728 189 (ASX:CYB) (**Company** or **AUCyber**) and is for a rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company. This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with the ASIC. It does not contain all of the information that an investor would find in a prospectus or which may be required in order to make an informed investment decision regarding, or about the rights attaching to, the Shares offered by this document.

This Offer Booklet including each of the documents attached to it and which form part of this Offer Booklet are important and should be read in their entirety prior to making an investment decision. In particular, Shareholders should refer to the risk factors set out in section 8 of this document. If you do not fully understand this Offer Booklet or are in any doubt as to how to deal with it, you should consult your professional adviser.

Section 708AA of the Corporations Act

This Offer Booklet has been prepared in accordance with section 708AA of the Corporations Act (as notionally modified by the ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84). In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Booklet is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX and consult their professional advisers before deciding to accept the Entitlement Offer.

Electronic Offer Booklet

A copy of this Offer Booklet in electronic format may be viewed at <https://events.miraqle.com/cyb-re> or the website of ASX. The Entitlement Offer is only available to Eligible Shareholders receiving this Offer Booklet in electronic form within Australia.

If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet. The electronic version of this Offer Booklet on the Company's website will not include an Entitlement and Acceptance Form.

New Shares will only be issued if the Company is satisfied that the Entitlement and Acceptance Form submitted to the Company was attached to a complete and unaltered version of this Offer Booklet. A paper copy of this Offer Booklet may be obtained free of charge on request by contacting the Company before the Closing Date by calling 1300 554 474.

Eligibility

Applications for Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form, as sent with this Offer Booklet. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Entitlement Offer.

Trading New Shares

The Company will have no responsibility for and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

Overseas Shareholders

This Offer Booklet does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Offer Booklet.

The Entitlement Offer is not being extended to Shareholders in jurisdictions outside Australia or New Zealand and no action has been taken to register, or otherwise permit, the offer of New Shares to be made under the laws of any jurisdiction outside of Australia or New Zealand. In particular, the New Shares offered under the Entitlement Offer have not been, and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States. It is your responsibility to ensure that you comply with any laws of your jurisdiction which are applicable to you and which are relevant to your applying for New Shares under the Entitlement Offer.

See section 4.4 for information for Ineligible Foreign Shareholders.

The distribution by you of this Offer Booklet (including an electronic copy) outside Australia or New Zealand may be restricted by law. You should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities law.

Any securities described in this Offer Booklet have not been, and will not be, registered under the US Securities Act, or any state securities laws, and until so registered, may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the US Securities Act and applicable state securities laws. Hedging transactions involving any securities described in this Offer Booklet may not be conducted unless in compliance with the US Securities Act.

New Zealand

The Entitlement Offer is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2013

Risk Factors

In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are non-exhaustive. Please refer to section 8 of this Offer Booklet for further details.

Notice to nominees and custodians

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Forward-looking statements

This Offer Booklet contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Booklet, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Booklet will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Booklet, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 8 of this Offer Booklet.

Privacy Act

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and uses that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the

Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Offer Booklet.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

Disclaimer

Mr Hugh Robertson, a Non-Executive Director of AUCyber Limited, also holds the position of Chairman of 5G Networks Limited and is a Director, Corporate Advisory at Morgans Corporate Limited.

2. ENTITLEMENT OFFER HIGHLIGHTS

2.1 Summary of the Entitlement Offer

Entitlement Offer	
Ratio	1 New Share for every 3.57 existing Shares held
Offer Price	\$0.06 per New Share
Size	Approximately 45.82 million New Shares
Gross proceeds	Approximately \$2.75 million

2.2 Indicative timetable for the Entitlement Offer

Date	
Announcement of the Entitlement Offer	20 March 2025 (before 10:00 am)
“Ex” date for securities trading	25 March 2025
Record Date for eligibility in the Entitlement Offer	26 March 2025
Entitlement Offer Booklet dispatched, including personalised Entitlement Form	28 March 2025
Entitlement Offer opens	28 March 2025
Rights trading ends	1 April 2025
Last day to extend the Offer closing date	3 April 2025
Entitlement Offer closes	8 April 2025
Announce results of Entitlement Offer	15 April 2025
Issue of New Shares under the Entitlement Offer	15 April 2025
Quotation and normal trading on ASX of New Shares issued under the Entitlement Offer	16 April 2025

Note: The above dates are indicative only. The Company reserves the right to alter this timetable including the Opening Date of Entitlement Offer and the Closing Date of the Entitlement Offer. Applicants are advised to lodge their Application Forms as soon as possible after the Opening Date.

3. CHAIRMAN'S LETTER

Dear Investor

As a valued shareholder of AUCyber Ltd ACN 622 728 189 (ASX:CYB) (**Company** or **AUCyber**), I am pleased to offer you the opportunity to participate in AUCyber's recently announced renounceable pro rata entitlement offer of new AUCyber ordinary shares (**New Shares**) at an issue price of \$0.06 per New Share to raise approximately \$2.75 million (**Entitlement Offer**).

Offer and other Initiatives

Pursuant to the Entitlement Offer (to which this Offer Booklet relates) Eligible Shareholders will be given the opportunity to take up all or part of their Entitlement and if they wish participate in any shortfall that arises. The Entitlement Offer is expected to raise approximately \$2.75 million.

This information booklet (**Offer Booklet**) relates to the Entitlement Offer.

The immediate use of the Entitlement Offer proceeds will be to provide the Company with working capital and to fund growth (**Offer Purpose**).

The Offer Purpose is described in more detail in the Company's ASX announcement lodged with the Australian Securities Exchange (**ASX**) on 20 March 2025.

Entitlement Offer

The issue price of \$0.06 per New Share represents:

- a 18.9% discount to the closing price of AUCyber's shares on the ASX on 19 March 2025; and
- a 25.4% discount to the five-day VWAP as at, and including, the same date.

Eligible Shareholders are entitled to subscribe for 1 New Shares at the issue price for every 3.57 existing ordinary shares in AUCyber held at 7.00pm on 26 March 2025 (**Record Date**).

The Entitlement Offer is renounceable and therefore entitlements are tradeable on the ASX or any other exchange, or otherwise transferable. Eligible Shareholders will have the opportunity to apply for New Shares in addition to their entitlement so as to participate in any shortfall that may arise.

I encourage you to consider this offer carefully.

How to apply

The Entitlement Offer Booklet and a personalised version of your Entitlement and Acceptance Form which contains details of your Entitlement and how to apply can be accessed at <https://events.miracle.com/cyb-rre>.

If you decide to take this opportunity to increase your investment in AUCyber please ensure that your payment via BPAY® or your personalised Entitlement and Acceptance Form with your application monies paid by cheque are received by the Share Registry before 5.00pm on 8 April 2025.

Effect of Entitlement Offer on control

The potential effect that the issue of the New Shares will have on the control of AUCyber, including the consequences of that effect and 5G Network Limited's (**5GN**) intentions in relation to AUCyber, are set out in sections 4.10 and 4.11 of this Booklet.

Further information

Further information on the Entitlement Offer and AUCyber's business is detailed in this Offer Booklet. You should carefully read this Offer Booklet in its entirety and consult your stockbroker, accountant or other professional adviser before making your investment decision. In particular, you should read and consider the "Key Risks" in section 8 of this Offer Booklet, which contains a summary of some of the key risks associated with an investment in AUCyber.

If you have any questions in respect of the Entitlement Offer, please call the Company Secretary on +61 428 130 447.

On behalf of my fellow AUCyber directors, I invite you to consider this investment opportunity and thank you

for your ongoing support of our company.

Yours sincerely

Joe Demase
Chairman

4. DETAILS OF THE ENTITLEMENT OFFER

4.1 Overview

The Company intends to raise a total of approximately \$2.75 million under the Entitlement Offer. The Entitlement Offer is not underwritten.

The immediate use of the proceeds of the Entitlement Offer will be to provide the Company with working capital and to fund growth.

Pursuant to the Entitlement Offer (to which this Offer Booklet relates) Eligible Shareholders other than 5GN (as defined in section 4.3) will be given the opportunity to take up all or part of their Entitlement. Eligible Shareholders will have the opportunity to apply for New Shares in addition to their entitlement so as to participate in any shortfall that may arise. The Entitlement Offer is expected to raise approximately \$2.75 million. Further details on the Entitlement Offer are set out below. You have a number of decisions to make in respect of your Entitlement. These decisions may materially affect the value (if any) that may be received in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

4.2 The Entitlement Offer

The Entitlement Offer is being made as a non-underwritten renounceable entitlement of 1 New Shares for every 3.57 Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.06 per Share. Fractional Entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as set out in section 4.9 of this Offer Booklet, a maximum of approximately 45.82 million New Shares will be issued pursuant to the Entitlement Offer to raise up to approximately \$2.75 million.

All of the Shares offered under this Offer Booklet will rank equally with the Shares on issue at the date of this Offer Booklet.

The Directors may at any time decide to withdraw the Entitlement Offer and the offer of Shares made under this Offer Booklet in which case the Company will return all Application monies (without interest) within 28 days of giving such notice of withdrawal.

4.3 Eligible Shareholders

This Offer Booklet is relevant to you if you are an Eligible Shareholder.

In this Offer Booklet, references to “you” are references to Eligible Shareholders and references to “your Entitlement” or “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders.

Eligible Shareholders are those persons who:

- (a) are registered as a holder of Shares as at the Record Date, being 7.00pm (Melbourne time) on 26 March 2025.
- (b) have a registered address on the Company's share register in Australia or New Zealand;
- (c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States); and
- (d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or other document to be lodged or registered in the jurisdiction in which the offer is received by them.

If you are a Shareholder that is not an Eligible Shareholder, you are an Ineligible Foreign Shareholder and cannot participate in the Entitlement Offer. See section 4.4 for further information.

4.4 Ineligible Foreign Shareholders

The Company intends to appoint Berne No 132 Nominees Pty Ltd (ACN 010 413 591), a related body corporate of Morgans Corporate Limited, to act as nominee (**Nominee**) for the Ineligible Foreign Shareholders to arrange for the sale of the entitlements which would have been offered to them had they been eligible to participate in the Entitlement Offer.

If there is a viable market for entitlements and a premium over the expenses of their sale can be made, the Nominee will arrange the sale of the entitlements which would have been attributable to Ineligible Foreign Shareholders.

The Nominee will distribute to the Company's share registry or to the Company directly the net proceeds (if any) of the sale of Entitlements of Ineligible Foreign Shareholders in proportion to each Ineligible Foreign Shareholder's Entitlements at the Record Date.

The Nominee will have absolute and sole discretion to determine the price for which the Entitlements of Ineligible Foreign Shareholders may be sold so that a premium over the expenses of their sale can be made, as well as the timing and manner of such sale. Neither the Company nor the Nominee will be subject to any liability to Ineligible Foreign Shareholders for failure to sell the Entitlements of Ineligible Foreign Shareholders or to sell them at a particular price.

If, as a result of the Nominee offering to sell or being invited to sell the Entitlements of Ineligible Foreign Shareholders, the Nominee forms the reasonable opinion that there is not a viable market for the Entitlements or a surplus of sale proceeds over expenses from the sale cannot be obtained for the Entitlements that would otherwise have been offered to the Ineligible Foreign Shareholders then the Entitlements will be allowed to lapse. In such circumstances, no money will be payable to Ineligible Foreign Shareholders and the Ineligible Foreign Shareholders will be informed accordingly in writing.

4.5 Use of Funds

Completion of the Entitlement Offer will result in an increase in cash in hand of up to approximately \$2.75 million (before the payment of costs associated with the Entitlement Offer).

The funds raised from the Entitlement Offer are currently intended to be used in accordance with the table set out below:

Proceeds of the Entitlement Offer	Full Entitlement Offer Subscription (\$)	%
Entitlement Offer	2,750,000	100%
Allocation of funds		
Expenses of the Entitlement Offer ⁽¹⁾	50,000	1.82%
Working Capital	2,700,000	98.18%
Total	2,750,000	100.00%

Notes:

- 1 Refer to section 4.14 for further details relating to the estimated expenses of the Entitlement Offer.

The above represents the Board's current intentions as at the date of this Offer Booklet. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and exploration, drilling and feasibility activities, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

4.6 Indicative timetable

Date	
Announcement of the Entitlement Offer	20 March 2025 (before 10:00 am)
"Ex" date for securities trading	25 March 2025
Record Date for eligibility in the Entitlement Offer	26 March 2025
Entitlement Offer Booklet dispatched, including personalised Entitlement Form	28 March 2025

Date	
Entitlement Offer opens	28 March 2025
Rights trading ends	1 April 2025
Last day to extend the Offer closing date	3 April 2025
Entitlement Offer closes	8 April 2025
Announce results of Entitlement Offer	15 April 2025
Issue of New Shares under the Entitlement Offer	15 April 2025
Quotation and normal trading on ASX of New Shares issued under the Entitlement Offer	16 April 2025

Note: Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Entitlement Offer at their discretion. Should this occur, the extension will have a consequential effect on the anticipated date of issue for the New Shares. These dates are indicative only and are subject to change.

4.7 Entitlements and acceptance/Shortfall Shares

Details of how to apply under the Entitlement Offer are set out in section 7 of this Offer Booklet.

The Entitlement of Eligible Shareholders to participate in the Entitlement Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance form accompanying this Offer Booklet.

You can also apply for Shortfall Shares under the Shortfall Offer in addition to your Entitlement by following the instructions set out in section 5. The Shortfall Offer is described in section 7.6 below.

4.8 Rights trading

The rights to New Shares under the Entitlement Offer are renounceable. Accordingly, your Entitlement may be tradeable on the ASX and you may dispose of your rights to subscribe for New Shares under the Entitlement Offer to any other party. If you do not take up your Entitlement to New Shares under the Entitlement Offer by the Closing Date, the Entitlement Offer to you will lapse.

4.9 Capital structure

The effect of the Entitlement Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Entitlement Offer	
Ratio	1 New Share for every 3.57 existing Shares held
Offer Price	\$0.06 per New Share
Size	Approximately 45.82 million New Shares
Gross proceeds	Approximately \$2.75 million

	Number of Shares	% of total Shares on issue
Existing Shares on issue (pre Entitlement Offer)	163,563,360	100.0%
Entitlement Offer Shares (assuming full subscription and take up of Entitlements)	45,833,334	28.0%
Total Shares on issue (post Entitlement Offer)	209,396,694	100.0%
Offer Price	\$0.0600	
Indicative market capitalisation based on the Offer Price	\$12,563,801.64	

Note: the above capital structure table does not take into account the impact of any options of performance securities on issue in the capital of the Company.

No Shares on issue are subject to escrow restrictions, either voluntary or ASX imposed.

4.10 Control implications

As at the date of this document 5G Networks Limited (**5GN**) is the major shareholder in the Company and holds 146,692,024 Shares representing 89.685% of the shares on issue. 5GN has informed the Company that it intends to take up its full entitlement under the Entitlement Offer and will not seek to participate in any shortfall arising under the Entitlement Offer. 5GN is restricted from participating in the Shortfall Bookbuild¹. Depending on how many New

¹ ASX Listing Rule 10.11 does not permit AUCyber to issue any Shortfall Shares to 5GN or its subsidiaries under the Shortfall Offer without Shareholder approval. AUCyber is not proposing to seek Shareholder approval for this purpose. This means 5GN will not be issued New Shares in excess of its Entitlement.

Share other shareholders take up under the Entitlement Offer 5GN may increase its percentage holding and its voting power in the Company.

The table below sets out the potential impact on control of the Company in various scenarios.

Scenario	5GN voting power
Shareholders other than 5GN take up 0% of their entitlement	91.757%
Shareholders other than 5GN take up 20% of their entitlement	91.335%
Shareholders other than 5GN take up 50% of their entitlements	90.709%
Shareholders other than 5GN take up 80% of their entitlements	90.092%
Shareholders other than 5GN take up 100% of their entitlements	89.685%

Notes:

(1) This table assumes 5GN takes up its full entitlement

(1) References to "their entitlement" include shortfall taken up by shareholders other than 5GN

(2) References to "their entitlement" excludes 5GN entitlement (so 20% of the New Shares available to persons other than 5GN)

As 5GN's holding in AUCyber may increase as a result of the Entitlement Offer, 5GN has provided an intentions statement in relation to AUCyber's business in accordance with Takeovers Panel Guidance Note 17.

4.11 5GN intention statement

If 5GN acquires Shares under the Offer which, when aggregated with its existing holdings, result in 5GN holding 90% or more of the shares in AUCyber, then 5GN intends to proceed with compulsory acquisition of all remaining AUCyber shares under Part 6A.2 of the Corporations Act.

In order to proceed with compulsory acquisition under Part 6A.2 of the Corporations Act, 5GN will be required to obtain an independent expert's report, prepared by an expert nominated by ASIC, as to whether the proposed compulsory acquisition price represents 'fair value' for AUCyber shares (as determined in accordance with section 667C of the Corporations Act). If the independent expert concludes that the proposed compulsory acquisition price does not represent 'fair value' for the securities, 5GN could either elect to increase its proposed compulsory acquisition price, or elect not to proceed with compulsory acquisition. If 5GN decided to increase their proposed compulsory acquisition price, it would firstly need to obtain further internal approvals to do so.

If 5GN proceed to compulsory acquisition, and persons holding at least 10% of the AUCyber shares covered by the compulsory acquisition notice object to the acquisition before the end of the relevant objection period, the compulsory acquisition can only occur if it is approved by the Court. If the 90% holder (here, 5GN) establishes that the terms set out in the compulsory acquisition notice give a 'fair value' for the shares, the Court must approve the acquisition of the shares on those terms. Otherwise, it must confirm that the acquisition will not take place.

4.12 Dilution

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 18.5% (as compared to their holdings and number of Shares on issue as at the date of this Offer Booklet).

Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	Approximate % at Record Date ¹	Entitlements under the Entitlement Offer	Holdings if Entitlement Offer not taken Up	Approximate % post Entitlement Offer
Shareholder 1	10,000	0.006%	2,802	10,000	0.005%
Shareholder 2	100,000	0.061%	28,022	100,000	0.050%
Shareholder 3	1,000,000	0.611%	280,218	1,000,000	0.498%

Notes:

1. This is based on a share capital of 163,563,360 Shares at the date of this Offer Booklet. Assumes that any available shortfall is subscribed for in total.

4.13 Lead Manager

Morgans Corporate Limited is acting as Lead Manager.

Morgans Corporate Limited will be paid a fee of 5% of the proceeds for managing the Entitlement Offer in respect of Entitlements taken up by Shareholders who are not 5GN and a fee of 1% in respect of Entitlements taken up by 5GN.

4.14 Expenses of the Entitlement Offer

In the event that all Entitlements are accepted, the total expenses of the Entitlement Offer are estimated to be approximately \$50,000 (including GST) and are expected to be applied towards the items set out in the table below:

	\$
Lead Manager fees and expenses ¹	\$38,850
Legal fees (Company)	\$6,000
Share Registry fees	\$4,000
Miscellaneous – Printing and Mailing	\$1,150
Total	\$50,000

Notes:

1. Assumes that the Entitlement Offer is subscribed for in full.

4.15 Opening and Closing Dates

The Entitlement Offer opens on the Opening Date, being 28 March 2025, and closes on the Closing Date, being 5:00pm (AEST) on 1 April 2025 (or such other dates as the Directors in their discretion shall determine subject to the ASX Listing Rules). The Company will accept Entitlement and Acceptance Forms until the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the ASX Listing Rules.

4.16 Issue and dispatch

Shares issued pursuant to the Entitlement Offer will be issued in accordance with the ASX Listing Rules and the indicative timetable set out in section 4.6 of this Offer Booklet. Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis.

Pending the issue of the Shares or payment of refunds pursuant to this Offer Booklet, all Application monies will be held by the Registry in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest by completing and returning the Entitlement and Acceptance Form.

The issue of New Shares and dispatch of holding statements is expected to occur on the dates specified in the timetable set out in section 4.6 of this Offer Booklet.

It is the responsibility of Applicants to determine the allocation prior to trading in the New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

4.17 ASX listing

The Company will apply for official quotation by ASX of the New Shares offered pursuant to this Offer Booklet.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

4.18 CHESS

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Booklet. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

4.19 Risk Factors

In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are non-exhaustive. Please refer to section 8 of this Offer Booklet for further details.

4.20 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX and, as such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the securities markets conducted by the ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities.

This Offer Booklet is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for Shares under the Entitlement Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from its website aucyber.com.au or the ASX (asx.com.au).

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the Company's and the ASX websites.

This Offer Booklet (including the Entitlement and Acceptance Form) and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Victoria and each Applicant submits to the nonexclusive jurisdiction of the courts of Victoria.

4.21 Enquiries concerning Offer Booklet

Enquiries relating to this Offer Booklet should be directed to the Company Secretary on +61 428 130 447.

5. AUSTRALIAN TAXATION CONSIDERATIONS

5.1 General

The section below provides a general summary of the Australian income tax, capital gains tax (**CGT**), goods and services tax (**GST**) and stamp duty implications of the Entitlement Offer for certain Eligible Shareholders.

This section 5 does not constitute financial product advice as defined in the Corporations Act, is confined to taxation issues, and is only one of the matters investors need to consider when making a decision about their investments. Investors should seek advice from their own independent professional adviser before deciding whether to invest in the Company.

The following tax comments in this section 5 are based on the tax law in Australia in force as at the date of this Offer Booklet. Australian tax laws are complex. This summary is general in nature and is not intended to be an authoritative or complete statement of all potential tax implications for each investor or relied upon as tax advice. During the period of ownership of the New Shares by investors, the taxation laws of Australia, or their interpretation, may change. The precise implications of ownership or disposal will depend upon each investor's specific circumstances. Investors should seek their own independent professional advice on the taxation implications of receiving the Entitlement Offer, holding or disposing of the New Shares, taking into account their specific circumstances.

The comments in this section deal only with the Australian taxation implications of the Entitlement Offer if you:

- (a) are a resident for Australian income tax purposes; and
- (b) hold your existing Shares, and will hold New Shares, on capital account

The comments do not apply to you if you:

- (a) are not a resident for Australian income tax purposes;
- (b) hold your Shares as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading);
- (c) are subject to the “TOFA provisions” in Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to the Shares; or
- (d) acquired the Shares in respect of which the Entitlement Offer is issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme.

The taxation implications of the Entitlement Offer will vary depending on your particular circumstances. Accordingly, you should seek and rely on your own professional advice before concluding on the particular taxation treatment that will apply to you.

AUCyber and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

This taxation summary is general in nature. It is not, nor should it be relied on as, tax advice or financial product advice. It is strongly recommended that each Eligible Shareholder seek its own independent professional tax advice applicable to its individual particular circumstances.

5.2 Issue of Entitlements

The issue of Entitlements should not, of itself, result in any amount being included in your assessable income.

5.3 Non-Resident CGT Withholding

AUCyber will be issuing New Shares to investors pursuant to the Entitlement Offer. In accordance with subsection 14-225(2) of the Taxation Administration Act 1953 (Cth), the Company declares that, for the period from the date of this Offer Booklet until the date New Shares are issued under the Entitlement Offer, all New Shares will be membership interests but will not be indirect Australian real property interests. Accordingly, investors should not have an obligation to withhold any portion of the price paid for the New Shares under the Entitlement Offer.

5.4 Exercise of Entitlements

Eligible Shareholders who exercise their Entitlements will acquire New Shares. No assessable income or capital gain should arise for you on the exercise (i.e. taking up) of your Entitlements.

The New Shares will constitute an asset for CGT purposes.

If an Eligible Shareholder takes up all or part of its Entitlement, the Shareholder will acquire New Shares in the Company with a cost base for CGT purposes of

each New Share equal to the amount paid by the Shareholder for each New Share, plus certain non-deductible incidental costs incurred in acquiring those New Shares (if any).

The New Shares will be taken to be acquired on the date that the Entitlement in respect of the New Share is exercised.

5.5 Distributions on New Shares

Future distributions made in respect of New Shares will be subject to the same income taxation treatment as distributions made on existing Shares held in the same circumstances.

5.6 Disposal of New Shares

The disposal of a New Share (referred to in this section as a Share) will constitute a disposal for CGT purposes.

On disposal of a Share you will make a capital gain if the capital proceeds on disposal exceed the total CGT cost base of the Share. You will make a capital loss if the capital proceeds are less than the total reduced cost base of the Share.

Individuals, complying superannuation entities or trustees that have held Shares for at least 12 months after the date of the acquisition (not including the dates of acquisition and disposal of the Shares) should be entitled to a discount on the amount of any capital gain resulting from the disposal of the Shares (after the application of any current year or carry forward capital losses).

The CGT discount application is currently one-half for individuals and trustees and one-third for complying superannuation entities. The CGT discount is not available for companies that are not acting as trustee for another entity. In relation to trusts, the CGT discount rules are complex, but the discount may flow through to presently entitled beneficiaries of the trust where the beneficiary would themselves be entitled to apply the CGT discount. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of the CGT discount.

If a capital loss arises on disposal of the Shares, the capital loss can only be used to offset capital gains, and cannot be used to offset ordinary income. However, the capital loss can be carried forward to use in future income years if the loss cannot be used in a particular income year, subject in some cases to the investor satisfying certain rules relating to the recoupment of carried forward losses.

5.7 Tax file number and Australian business number withholding

If a Shareholder has provided its Australian business number (**ABN**), tax file number (**TFN**) or claimed an exemption from quoting its TFN in respect of an existing Share, this will also apply in respect of any New Shares acquired by that Shareholder.

If a Shareholder has not provided its ABN, TFN or claimed an exemption, income tax may be required to be deducted and withheld by AUCyber for any distributions at the highest marginal tax rate plus the Medicare levy.

5.8 Other Australian taxes, including GST

No Australian GST will be payable by Eligible Shareholders in respect of the issue or exercise of the Entitlements or the acquisition of New Shares pursuant to the Entitlement Offer.

An Australian resident investor registered for GST may not be entitled to claim full input tax credits in respect of GST on expenses incurred relating to the acquisition, redemption or disposal of the New Shares (e.g. lawyers' and accountants' fees).

Investors should seek their own tax advice on the impact of GST in their own particular circumstances.

Investors should seek their own tax advice as to the impact of stamp duty in their own particular circumstances.

6. NEW ZEALAND TAXATION CONSIDERATIONS

6.1 General

The section below provides a general summary of the New Zealand income tax and goods and services tax (**NZ GST**) of the Entitlement Offer for certain Eligible Shareholders.

The comments in this section deal only with the New Zealand taxation implications of the Entitlement Offer if you:

- (a) are a resident for New Zealand income tax purposes; and
- (b) hold your Shares on capital account.

The comments do not apply to you if you:

- (a) are not a resident for New Zealand income tax purposes;
- (b) hold your Shares as revenue account property or trading stock (which will generally be the case if you acquired the Shares with a dominant purpose of disposal, or you are a bank, insurance company or carry on a business of share trading); or
- (c) where the New Shares are acquired pursuant to any employee share scheme.

The taxation implications of the Entitlement Offer will vary depending on your particular circumstances. Accordingly, you should seek and rely on your own professional advice before concluding on the particular taxation treatment that will apply to you.

AUCyber and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

This taxation summary is general in nature. It is not, nor should it be relied on as, tax advice or financial product advice. It is strongly recommended that each Eligible Shareholder seek its own independent professional tax advice applicable to its individual particular circumstances.

6.2 Issue of Entitlements

The issue of Entitlements should not, of itself, result in any amount being included in your assessable income. The acquisition of the Entitlements should be characterised as flowing from the capital rights of your existing Shares and should therefore be treated as being held on capital account for New Zealand income tax purposes.

6.3 Exercise of Entitlements

Eligible Shareholders who exercise their Entitlements will acquire New Shares. The exercise of any Entitlements under the Offer by you is not likely to give rise to any assessable income for New Zealand income tax purposes, provided you hold your existing Shares on capital account, notwithstanding that the New Shares are being acquired at a discount to the market price of the shares before the exercise of the Entitlements.

6.4 Distributions on New Shares

Future distributions made in respect of New Shares will be subject to the same income taxation treatment as distributions made on existing Shares held in the same circumstances.

6.5 Disposal of New Shares

Provided the New Shares were held by you on capital account, the disposal of a New Share will not give rise to any New Zealand income tax consequences. Shareholders will generally be considered to hold the New Shares on capital account where they did not acquire the New Shares with the dominant purpose of reselling or disposing the New Shares and they are not in the business of dealing in shares.

6.6 Tax file number and withholding

If a Shareholder has provided its IRD number or a withholding tax exemption certificate in respect of an existing Share, this will also apply in respect of any New Shares acquired by that Shareholder.

If a Shareholder has not provided its IRD number, or provided a withholding tax exemption certificate, income tax may be required to be deducted and withheld by AUCyber for any distributions at the highest marginal tax rate.

6.7 NZ GST

No NZ GST will be payable by Eligible Shareholders in respect of the issue or exercise of the Entitlements or the acquisition of New Shares pursuant to the Entitlement Offer.

7. ACTION REQUIRED BY SHAREHOLDERS

7.1 How to Accept the Entitlement Offer

Your acceptance of the Entitlement Offer must be made on the Entitlement and Acceptance Form accompanying this Offer Booklet. You may participate in the Entitlement Offer as follows:

- (a) if you wish to accept your Entitlement in full:
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
 - (ii) attach your cheque or arrange payment by BPAY® for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept part of your Entitlement:
 - (i) fill in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) arrange payment by BPAY® or EFT for the appropriate Application monies (at \$0.06 per New Share); or
- (c) if you wish to apply for your Entitlement and for Shares under the Shortfall Offer (refer to section 7.6 below):
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided;
 - (ii) fill in the number of additional shares under the Shortfall Offer you wish to apply for in the space provided on the Entitlement and Acceptance Form; and
 - (iii) attach your cheque or arrange payment by BPAY® for the appropriate Application monies (at \$0.06 per New Share);
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Your completed Entitlement and Acceptance Form and payment must reach the Registry no later than 5:00pm (AEST) on the Closing Date.

7.2 Implications of an acceptance

Returning a completed Entitlement and Acceptance Form or paying any Application monies by BPAY® will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Booklet and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and

- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application monies, the Application may not be varied or withdrawn except as required by law.

7.3 Payment by EFT

Eligible Shareholders with registered addresses in New Zealand may make their payment by electronic funds transfer (EFT) or BPAY® (if they have an account with a financial institution that supports the making of BPAY® payments) and must pay the Australian dollar amount that corresponds with the total number of New Shares that they wish to apply for under the Entitlement Offer.

When making payment by EFT, please cite the unique reference number provided to you on (or generated on electronic submission of) your personalised Entitlement and Acceptance Form.

As noted above, the Entitlement Offer is expected to close at 5pm (Sydney time) on 08 April 2025 (unless the Closing Date is varied or the Entitlement Offer is withdrawn) and payment must be received before this time. Please take into account BPAY® or EFT processing times. The Company will not be accepting payment by cheque, cash or money order.

This Entitlement Offer Booklet and a personalised version of your Entitlement and Acceptance Form can be accessed at <https://events.miraqle.com/cyb-rre>. The Company urges you to read this Entitlement Offer Booklet carefully and in its entirety before applying for New Shares under the Entitlement Offer.

7.4 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

7.5 Acknowledgements

By returning an Entitlement and Acceptance Form with an EFT payment or making a payment via BPAY, you acknowledge and agree that:

- (1) you are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the Entitlement Offer in respect of that person);
- (2) the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the New Shares may not be offered, sold or otherwise transferred in the United States;
- (3) you have not, and will not, send this Offer Booklet or any materials relating to the Entitlement Offer to any person outside of Australia or New Zealand, including in the United States;
- (4) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in the regular way for transactions on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person outside of Australia or New Zealand, including in the United States;
- (5) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand (and is not in the United States and is not acting for the account or benefit of a person in the United States), and you have not sent this Offer Booklet, or any materials relating to the Entitlement Offer to any person outside Australia and New Zealand (including, without limitation, to any person in the United States or to any person acting for the account or benefit of a person in the United States);
- (vi) you are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Entitlement Offer; and
- (7) you will not submit any acceptance form for the Entitlement Offer or an Entitlement and Acceptance Form or otherwise purchase New Shares on behalf of any such person.

7.6 Trading of Entitlements

The Entitlement Offer is renounceable. Accordingly, a holder of Shares may sell or transfer all or part of their Entitlement on the ASX.

Eligible Shareholders who do not wish to take up part or all of their Entitlement may be able to sell their Entitlement on ASX and recoup some value or payment. If you wish to sell your Entitlement on ASX, you should instruct your stockbroker personally and provide them with details they request as set out in your personalised Entitlement and Acceptance Form.

Entitlement trading commences (on a normal settlement basis) on 28 March 2025 and ceases on close of trading on 1 April 2025. If you wish to sell all or part of your Entitlement on the ASX you must do so by no later than 4:00pm (Sydney time) on 1 April 2025.

7.7 Shortfall Offer

Subject to the Shortfall Bookbuild (see below), Eligible Shareholders (other than 5GN) who take up their Entitlement in full may also apply for additional New Shares at the Offer Price in excess of their Entitlement (**Additional New Shares**) under the shortfall facility (**Shortfall Offer**).

If the Shortfall Bookbuild (see below) does not clear above the Offer Price², Eligible Shareholders applying for Additional New Shares will receive Additional New Shares applied for in preference to any third-party investor applications.

The allocation of any Additional New Shares will be limited to the number of New Shares for which valid applications are not received before the Entitlement Offer closes (**Shortfall Shares**).

If the Company receives valid applications from Eligible Shareholders for a number of New Shares that exceeds the number of Shortfall Shares (**Shortfall Applicants**), then the number of Shortfall Shares to be issued to each Shortfall Applicant will be scaled back:

- a) on a pro rata basis, according to the number of AUCyber Shares held by each Shortfall Applicant as at the Record Date; and
- b) so that the maximum number of New Shares to be issued under the Shortfall Offer does not exceed the number of Shortfall Shares.

There is no guarantee that Shortfall Applicants will receive the number of New Shares applied for in excess of their Entitlement, or that they will receive any at all.

Eligible Shareholders may apply for Additional New Shares under the Shortfall Offer by following the instructions set out on their personalised Entitlement and Acceptance Form and paying via BPAY®. For an Eligible Shareholder's application for New Shares in excess of their Entitlement to be valid, payment in full for such Additional New Shares must be received no later than the close of the Entitlement Offer, being 3 April 2025.

² Bids in the Shortfall Bookbuild involve a commitment to pay the Offer Price to receive the relevant New Shares and, to the extent the bid is at a premium to the Offer Price, that premium constitutes an amount payable for the Shortfall Entitlement.

AUCyber's decision as to the number of Shortfall Shares to be issued to any Shortfall Applicant will be final. The issue of Shortfall Shares under the Shortfall Offer is subject to compliance with the Corporations Act, ASX Listing Rules and other applicable laws, and will be subject to availability.

In accordance with ASX Listing Rule 10.11, 5GN will not be able to apply for Additional New Shares under the Shortfall Offer or bid to acquire Entitlements pursuant to the Shortfall Bookbuild without Shareholder approval. AUCyber is not proposing to seek Shareholder approval for this purpose. This means 5GN will not be issued New Shares in excess of its entitlement. As 5GN's holding in AUCyber may increase as a result of the Entitlement Offer, 5GN has provided an intentions statement (see section 4.11) in relation to ERA's business in accordance with Takeovers Panel Guidance Note 17.

7.8 Shortfall Bookbuild

Morgans Corporate Limited (the **Lead Manager**) has been appointed as broker to the Entitlement Offer to undertake a back-end shortfall bookbuild (**Shortfall Bookbuild**) of any Shortfall Shares by offering for sale the Entitlements (**Shortfall Entitlements**) for which valid applications are not received from Eligible Shareholders (or persons to whom their Entitlements have been renounced) before the Entitlement Offer closes.

The Broker will invite applications from institutional and/or sophisticated investors for the Shortfall Shares at an issue price that is not less than the Offer Price.³

If the Shortfall Bookbuild does clear at a price above the Offer Price, any premium to the Offer Price constitutes an amount payable for the Shortfall Entitlement (**Shortfall Premium**) and will be paid to Eligible Shareholders who have not taken up or renounced their entitlements and Ineligible Shareholders pro rata, net of any applicable withholding tax (if any).

Neither AUCyber, the Lead Manager, nor any other person guarantees that there will be any Shortfall Premium.

The Company reserves the right to sell the Shortfall Entitlements under the Shortfall Bookbuild at its discretion.

³ Bids in the Shortfall Bookbuild involve a commitment to pay the Offer Price to receive the relevant New Shares and, to the extent the bid is at a premium to the Offer Price, that premium constitutes an amount payable for the Shortfall Entitlement.

8. RISK FACTORS

8.1 Introduction

This section 8 describes the material risks associated with the Company's business, the industry in which it operates and the risks associated with an investment in the New Shares. It does not purport to list every risk that may be associated with an investment in the Company now or in the future, and the occurrence of some of the risks described below are partially or completely outside the control of the Company, the Directors and management. Any or a combination of these risks may have a material adverse impact on the Company's business, financial performance and operations and the price or value of the Company's Shares.

Investors should examine the contents of this Offer Booklet in its entirety and consult their professional advisors before deciding whether to apply for the New Shares.

8.2 Company and industry specific risks

(a) Key personnel

The Company's success depends on its ability to attract and retain key management and operating personnel. Staff turnover may occur due to a range of factors including salary pressure and the availability of career progression opportunities. The loss of any key staff members and inability to attract the required personnel with suitable experience & qualifications, could have an adverse impact on the business.

(b) Reputational risks

The Company's success is reliant on maintaining a strong brand and positive reputation. The occurrence of any unforeseen issue or event which may adversely impact the Company's reputation could result in adverse impact on its financial performance and potential to retain and attract customers & employees.

(c) Loss of key contracts and relationships

the Company's financial performance is dependent on its ability to retain existing customers and to attract new customers. This depends in part on the functionality, reliability, pricing and support that the Company's products and services deliver, and its ability to deliver products as promised when compared to competitors. Customers may cease their relationships with the Company for reasons within or outside its control. If the Company is unable to retain existing customers and to attract new customers, its business, financial performance and operations may be adversely impacted.

(a) Customer concentration

The Company's business has customer concentration risk. Contracts with its principal customers provide a large proportion of its revenue. If these contracts were to be terminated, there would be a material adverse impact on the business.

(b) Changes in technology

The Company operates in an industry that is constantly evolving and impacted by potential new technologies. There is a risk that technologies could be developed which could act as a substitute for the products & services offered by the Company. To remain competitive, the Company needs to keep pace with developments and new emerging technologies. Failure to keep pace with potential technology developments could lead to the Company being less effective against its competitors, and its business, financial performance, and operations could be adversely affected.

(c) Information systems risk

The Company relies on technology and related systems to provide services and to operate aspects of its business. From time to time, the Company may experience system interruptions and delays. The Company has processes in place to respond to system interruptions and delays. However, in the event that there is a system disruption, corruption, unavailability, or loss of data, this could adversely affect the Company's financial and operational performance.

8.3 General Risks

(a) Additional requirements for capital

The funds raised under the Entitlement Offer are considered sufficient to meet the current proposed objectives of the Company. Additional funding may be required in the event future costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of its growth, development, and/or acquisition plans. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(b) General economic conditions

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as fluctuations in

currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Company's future possible revenues and Share price can be affected by these factors, all of which are beyond the control of the Company or its Directors.

(c) Equity market conditions

Securities listed on the stock market can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

The events relating to COVID-19 have recently resulted in significant market falls and volatility including in the prices of securities trading on the Australian Securities Exchange (**ASX**) (including the price of AUCyber Shares).

(d) Change in government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Company, and consequent returns to investors. The activities of the Company are subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

(e) Shareholders may suffer dilution

In the future, the Company may elect to issue Shares or engage in fundraisings including to fund acquisitions that the Company may decide to make. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within a 12 month period (other than where exceptions apply), Shareholders may be diluted as a result of such issues and fundraisings.

9. DEFINED TERMS

\$ or A\$	means an Australian dollar
Additional Shares	means those New Shares not issued under the Entitlement Offer
Applicant	refers to a person who submits an Entitlement and Acceptance Form, or submits a payment of subscription monies in respect of the Entitlement Offer
Application	refers to the submission of an Entitlement and Acceptance Form or Shortfall Application Form (as the case may be)
ASX	means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited
ASX Listing Rules	means the Listing Rules of the ASX
Closing Date	means the closing date set out in section 4.6 or such other date as may be determined by the Directors
Company	means AUCyber Ltd ACN 622 728 189 (ASX:CYB)
Corporations Act	means the Corporations Act 2001 (Cth)
Directors	mean the directors of the Company
Eligible Shareholder	means a Shareholder whose details appear on the Company's register of Shareholders as at the Record Date whose registered address is in Australia or New Zealand, and is eligible for the Entitlement Offer. See section 4.3
Entitlement	means the entitlement to subscribe for one 1 New Shares for every 3.57 Shares held by an Eligible Shareholder on the Record Date
Entitlement Offer	means the pro rata renounceable Entitlement Offer of New Shares at an issue price of \$0.06 each on the basis of one 1 New Shares for every 3.57 Shares held on the Record Date offered to Eligible Shareholders under this Offer Booklet
Entitlement and Acceptance Form	means the Entitlement and Acceptance Form accompanying this Offer Booklet
Ineligible Foreign Shareholder	means person registered as the holder of Shares as at 5:00pm (AEST) on the Record Date who is not an Eligible Shareholder
Issue date	means the issue date set out in section 4.6 or such other date as may be determined by the Directors

Lead Manager	means Morgans Corporate Limited (ACN 010 539 607)
New Share	means a new Share proposed to be issued pursuant to this Entitlement Offer
Nominee	Means Berne No 132 Nominees Pty Ltd (ACN 010 413 591)
Offer Booklet	means this Offer Booklet
Opening Date	means the opening date set out in section 4.6 of this Offer Booklet
Option	means an option to acquire a Share in the Company
Record Date	means the record date set out in section 4.6 of this Offer Booklet
Share	means an ordinary fully paid share in the capital of the Company
Shareholder	means a holder of Shares
Shortfall	means those Shares under the Entitlement Offer not applied for by the Shareholders under their Entitlement
Shortfall Offer	means as defined in section 7.6 of this Offer Booklet
Shortfall Share	means a Share issued under the Shortfall Offer as described in section 7.6 of this Offer Booklet

10. CORPORATE DIRECTORY

Directors	Mr Joseph Demase
	Mr Conrad Morgan
	Mr Hugh Robertson
Company Secretary	Mr Adam Gallagher
Registered Office	Level 3, 120 Wickham Street, Fortitude Valley, QLD, Australia, 4006
	Telephone: +61 417 123 292
Share Registry	MUFG Corporate Markets (AU) Limited
	level 12, 680 George Street, Sydney, NSW, Australia, 2000
Solicitors to the Entitlement Offer	Cornwalls
	Level 4, 380 Collins Street
	Melbourne VIC 3000
	Telephone: 03 9608 2186
Lead Manager	Morgans Corporate Limited
	Level 25, 367 Collins Street,
	Melbourne, VIC 3000
	Telephone: 03 9947 4111