



ASX ANNOUNCEMENT (ASX: CVT)

17 January 2018

CIPHERPOINT ACQUISITION – MILESTONE ONE REVENUE TARGETS ACHIEVED

Sydney, Australia – Covata is pleased to announce that Milestone One of the acquisition of CipherPoint Software, Inc. (**CipherPoint**) has been met, with CipherPoint successfully delivering over US\$300,000 of revenue in the six months to 31 December 2017 and other performance conditions having been satisfied.

In line with the Share Sale Agreement, Covata will issue 10,000,000 Milestone One Shares (ordinary fully paid shares) to the CipherPoint Vendors at a deemed share price of A\$0.10 per share (which represents a premium to the current trading price). The issue of the Milestone One Shares was approved by shareholders at Covata's annual general meeting on 22 November 2017. Covata is in the process of finalising the agreed 12-month voluntary escrow agreements and will issue the Milestone One Shares upon receipt of those agreements.

Ted Pretty, MD and CEO of Covata, said "I am delighted with the performance of the CipherPoint acquisition and encouraged by the growing interest in integration of our secure collaboration products with workplace productivity tools such as Microsoft SharePoint. This demand is being reflected in the growth of our sales pipeline and recent sales wins.

"Covata has two unique value propositions; namely the most secure browser-to-browser collaboration tool with SafeShare, and a powerful suite of integrated data security and privacy compliance solutions for Microsoft SharePoint, file servers, and Office 365 (SharePoint Online and OneDrive for Business) provided by the CipherPoint Eclipse product."

-Ends-

About Covata

Covata is a leading provider of software solutions that protect data and enable secure collaboration. Our data-centric security platform empowers governments and businesses to discover, protect and control their sensitive information. Our products and platform support multiple use cases including search, governance and compliance, user behavior and analytics and file synchronization and sharing.

Covata also provides data discovery, transparent data encryption, centralised permissions management, and activity logging for sensitive and regulated information in SharePoint.

With offices and resources in the US, UK, Europe and Australia and coverage in all other regions our customers span the public sector and defense, aerospace, technology, finance, media and sports industries.

We ensure security is never an afterthought, protecting information and ensuring the safe and efficient sharing of data across internal and external stakeholders, devices, networks and geographic regions providing organizations with control, visibility and auditability of their sensitive information.

For further information, please visit covata.com.

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