



Update Summary

Entity name

CIPHERPOINT LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

Friday January 22, 2021

Reason for update to a previous announcement

Updates to reflect underwriting agreement announced 22 January 2021

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

CIPHERPOINT 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.

1.2 Registered Number Type

ACN

Registration Number

120658497

1.3 ASX issuer code

CPT

1.4 The announcement is☒ Update/amendment to previous announcement**1.4a Reason for update to a previous announcement**

Updates to reflect underwriting agreement announced 22 January 2021

1.4b Date of previous announcement(s) to this update

Thursday January 21, 2021

1.5 Date of this announcement

Friday January 22, 2021

1.6 The Proposed issue is:

- ☒ A standard +pro rata issue (non-renounceable or renounceable)
- ☒ A placement or other type of issue

1.6a The proposed standard +pro rata issue is:☒ + Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

CPT : ORDINARY FULLY PAID

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

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

CPT : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)



The quantity of additional +securities to be issued

1

For a given quantity of +securities held

2

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

84,320,010

Reason for the update of 'Maximum Number of +securities proposed to be issued'

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.04700

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☒ Yes

Describe the limits on over-subscription

Scale-back will be applied on over-subscriptions at discretion of the Board (refer below).

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

Scale-back to be applied at the discretion of the Board having regard to factors including the pro-rata entitlement of the shortfall applicants.

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 are non CDIs)****ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)****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?**☒ Yes**ASX +security code**

New class-code to be confirmed

+Security description

Options, 8 cent exercise

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)**The quantity of attaching +securities to be issued**

1

For a given quantity of the new +securities issued

4

What will be done with fractional entitlements?

Fractions rounded up to the next whole number

Maximum number of +securities proposed to be issued (subject to rounding)

21,080,002

Reason for the update of 'Maximum Number of +securities proposed to be issued'**Offer price details for retail security holders****In what currency will the offer be made?**

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**☒ Yes



Describe the limits on over-subscription

Scale-back will be applied on over-subscriptions at discretion of the Board (refer below).

Will a scale back be applied if the offer is over-subscribed?

☒ Yes

Describe the scale back arrangements

Scale-back to be applied at the discretion of the Board having regard to factors including the pro-rata entitlement of the shortfall applicants.

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 0.0800

Expiry date

Saturday February 5, 2022

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

CPT : ORDINARY FULLY PAID

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

One fully paid ordinary shares (ASX:CPT)

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.

Refer announcement lodged 21 January 2021.

Part 3C - Timetable**3C.1 +Record date**

Wednesday February 10, 2021

3C.2 Ex date

Tuesday February 9, 2021

3C.4 Record date

Wednesday February 10, 2021



3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Monday February 15, 2021

3C.6 Offer closing date

Monday March 8, 2021

3C.7 Last day to extend the offer closing date

Wednesday March 3, 2021

3C.9 Trading in new +securities commences on a deferred settlement basis

Tuesday March 9, 2021

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Thursday March 11, 2021

3C.11 +Issue date

Thursday March 11, 2021

3C.12 Date trading starts on a normal T+2 basis

Friday March 12, 2021

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Tuesday March 16, 2021

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☒ No

3E.2 Is the proposed offer to be underwritten?

☒ Yes

3E.2a Who are the underwriter(s)?

Viriathus Capital Pty Ltd

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

\$1,500,000, with each valid application going to the relief of the underwriting obligation

3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

6% of the underwritten amount

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Refer to ASX release dated 22 January 2021.



3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

☒ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☒ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

N/A

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

As set out in ASX release dated 21 January 2021, including

- meet costs of integration of the Brace 168 and Cipherpoint businesses; and
- fund the expansion of the existing Cipherpoint business following the integration above.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☒ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☒ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

All other than Australia and New Zealand.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☒ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

Custodians may affect the entitlement offer on behalf of beneficiaries provided those beneficiaries are eligible recipients, further details to be provided in offer documents.

3F.6 URL on the entity's website where investors can download information about the proposed issue

To be provided at time of lodgement of offer documents.

3F.7 Any other information the entity wishes to provide about the proposed issue

Calculations of maximum number of securities to be issued are prepared on the basis that the placement announced in conjunction with the entitlement issue is completed prior to the record date.

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☒ Yes



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

☒ No

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)?

☒ 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

CPT : ORDINARY FULLY PAID

Number of +securities proposed to be issued

21,276,595

Reason for the update of 'Maximum Number of +securities proposed to be issued'

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 0.04700



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 are non CDIs)

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?

☒ Yes

ASX +security code

New class-code to be confirmed

+Security description

Options, 8 cent expiry

+Security type

Options

Number of +securities proposed to be issued

5,319,148

Reason for the update of 'Maximum Number of +securities proposed to be issued'

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, free attaching options.

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

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 0.0800

Expiry date

Saturday February 5, 2022

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

CPT : ORDINARY FULLY PAID

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

One fully paid ordinary share (ASX:CPT).

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.

Refer to ASX release 21 January 2021.

Part 7C - Timetable

7C.1 Proposed +issue date

Monday February 1, 2021

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?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

6,576,596 ordinary shares and 5,319,148 free attaching options.

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ Yes

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

14,700,000 ordinary shares.



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

☒ No

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?

☒ No

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

Placement fees of 6% to be paid on funds raised and up to 4 million options will be issued to brokers assisting in the placement.

Part 7F - Further Information

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

To raise capital to fund the activities described earlier in this Appendix 3B, further details in the company's ASX release dated 21 January 2021.

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