

ASX Announcement

23 January 2023

Government Grant of \$2.3m approved

Novatti Group Limited (ASX:NOV) (**Novatti** or **Company**), a leading fintech that enables businesses to pay and be paid, is pleased to announce that an anti-money laundering fintech project it will lead, has been approved for a \$2.3 million grant under the Australian Government's Cooperative Research Centres Projects (**CRC-P**) Grants program¹.

Government CRC-P Grants provide funding for short-term research collaborations. The program supports industry-led research collaborations that must develop a product, service or process that will solve problems for industry and deliver real outcomes, benefit small to medium enterprises (SMEs) and include education and training activities.

Novatti's application was submitted in collaboration with Royal Melbourne Institute of Technology, Hashcloud Pty Ltd, Thankq solutions Pty Ltd and Swyftx Pty Ltd. The total project value is \$6.1m which covers the cash and kind commitments by the collaboration partners, with government funding back to the collaboration partners of \$2.3m. The project runs from 5 Jan 2023 to 30 Nov 2025. The first \$830k is due for reimbursement by 30 June 2023.

The collaborative project will focus on developing a digital platform consisting of novel anti-fraud and anti-money laundering techniques, to align Crypto transactions with traditional payment options such as credit cards. It will allow consumers, merchants, and exchanges to acquire, verify and transfer Crypto with trust and scalability while conducting daily business. Thus, it will modernise Australian industries to take the lead in leveraging such currencies globally.

Managing Director of Novatti, Peter Cook, said: "Concerns over cybersecurity have greatly increased over recent years where it has become the most critical corporate risk. There is a growing need to develop innovative new solutions that can prevent fraud and money laundering in the digital space and with Novatti's fintech and regtech suite, we are well positioned to address these risks.

"Through this collaborative project and with the support of Government funding, we are seeking to provide an innovative solution that can mitigate these risks and hence

¹ <https://business.gov.au/grants-and-programs/cooperative-research-centres-projects-crcp-grants/crc-projects-selection-round-outcomes>

enabling digital asset transactions to support long-term growth in Novatti's financial transactions and payments revenues.”

The CRC-P Grant funding will run through to 30 November 2025.

This announcement follows some of Novatti's other recent growth-focused achievements, including:

- Launch of International Bank of Australia, holding a 91% shareholding
- 98% year-on-year increase in September quarter sales revenue
- 53% reduction in cash used in operations across past two quarters

Novatti invites investors to keep up to date with company news, events and industry research by joining the Novatti mailing list at: <https://www.novatti.com/subscribe>

Investors can view all Novatti announcements and join the discussion at Novatti's Investor Community Hub at: <https://announcements.novatti.com>

For further information, contact:

Peter Cook

Managing Director

Novatti Group Limited

peter.cook@novatti.com

About Novatti Group Limited (ASX:NOV)

Novatti is a leading fintech that enables businesses to pay and be paid, from any device, anywhere. From corner stores and start-ups to global organisations, our solutions will unlock your ambitions. Solutions include issuing, acquiring, processing, and billing, while Novatti also holds a restricted banking licence through its 91% owned subsidiary International Bank of Australia Pty Limited

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