

CIPHERPOINT LIMITED

[ABN 61 120 658 497]

("the Company")

CLEANSING PROSPECTUS

An offer of up to 100 fully paid ordinary shares (**New Shares**) at \$0.005 (0.5 cent) per New Share and 100 quoted options to acquire shares (each with an exercise price of \$0.01 (1 cent) and expiring 5 September 2026) (**New Options**) (**the Offer**). The Offer is only made to and capable of acceptance by invitees determined by the Company who receive a personalised Application Form to participate in the Offer. The Offer closes at 5.00pm (Sydney time) on 28 April 2023.

This prospectus has been prepared primarily for the purposes of section 708A(11) of the Corporations Act to facilitate secondary trading of the Placement Shares, Placement Options, Broker Shares, Broker Options and LSP Shares.

THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY

It is important that you read this Prospectus carefully before deciding to accept the Offer. If you do not understand the content of this Prospectus you should consult your stockbroker, accountant or other professional adviser.

The securities offered under this Prospectus are considered speculative

CORPORATE DIRECTORY

Cipherpoint Limited
[ABN 61 120 658 497]

Directors

Steven Bliim – Non-Executive Chairman
Bryan Saba – Managing Director
Ken Benson – Non-Executive Director

Company Secretary

Patrick Gowans

Registered Office

Suite 2.01, Level 2, 157 Walker Street
Sydney NSW 2000

Telephone: +61 2 8412 2000

Facsimile: +61 2 8412 8202

ASX Code

CPT

Web Site

www.cipherpoint.com

To view annual reports, shareholder and company information, news announcements, background information on the Company's business and historical information, visit www2.asx.com.au and search code "CPT".

IMPORTANT NOTICES

This prospectus (**Prospectus**) is dated 21 April 2023. A copy of this Prospectus was lodged with the Australian Securities & Investments Commission (**ASIC**) on the same date. Neither ASIC nor ASX Limited (**ASX**) nor their respective officers take any responsibility as to the contents of this Prospectus.

Subject to the Corporations Act, the ASX Listing Rules and other applicable laws, the Company reserves the right to the Offer early, to extend the Closing Date or not to proceed with the Offer.

The Offer close at 5:00pm (Sydney time) on 28 April 2023, which date may change without notice.

This Prospectus is for an offer of continuously quoted securities (the New Shares) and options over continuously quoted securities (the New Options) and accordingly is not required by the Corporations Act to contain all the information normally required to be set out in a document of this type.

This Prospectus incorporates by reference certain information contained in documents lodged with ASIC. A document incorporated by reference in this Prospectus in this manner may be obtained free of charge from the Company during the application period.

The Company has adopted a target market determination (**TMD**) for the offer of New Options under the Offer. The TMD is available at the website of the Company, www.cipherpoint.com. By making an application for New Options under the Offer, an investor warrants that they have read and understood the TMD and that they fall within the target markets as set out in the TMD.

This Prospectus 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 past and present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, 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 the Company, its Directors and management. Although the Company believes that the expectations reflected in the forward looking statements included in this Prospectus are reasonable, none of the Company, its Directors or officers, or any person named in this Prospectus can give, or gives, any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur or that the assumptions on which those statements are based will prove to be correct or exhaustive beyond the date of its making. Investors are cautioned not to place undue reliance on these forward-looking statements.

Except to the extent required by law, the Company has 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 Prospectus.

The forward-looking statements contained in this Prospectus are subject to various risk factors that could cause actual results to differ materially from the results expressed or anticipated in these statements. The key risk factors of investing in the Company are set out in Section 5 of this Prospectus.

No account has been taken of particular objectives, financial situation or needs of recipients of this Prospectus. Recipients of this Prospectus should have regard to their own objectives, financial situation and needs. Recipients of this Prospectus should make their own independent investigation and assessment of the Company, its business, assets and liabilities, prospects and profits and losses, and risks associated with investing. Independent advice should be sought before any decision is made to apply for securities under this Prospectus.

All monetary amounts in this Prospectus are in Australian dollars unless otherwise stated. All dates and times are dates and times in Sydney, New South Wales, Australia unless otherwise stated.

The securities offered under this Prospectus are considered speculative.

TIMETABLE

Lodgement of Prospectus	21 April 2023
The Offer opens	21 April 2023
Closing Date	28 April 2023 at 5:00pm

*The Closing Date should be regarded as **indicative only and may change without notice**. All dates and times are Sydney, New South Wales time. Subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws, the Company reserves the right to change the above dates, close the Offer before the date stated above, extend the Closing Date and subsequent dates or not proceed with the Offer. The Company reserves the right to extend the Closing Date by making an announcement of the extension to ASX. No securities will be issued on the basis of this Prospectus after 21 May 2024, being the expiry date of this Prospectus.*

CONTENTS

1.	Details of the Offer.....	7
2.	Purpose of the Offer.....	8
3.	Financial effect of the Offer.....	8
4.	Effect on the Capital Structure of the Company	9
5.	Risks.....	11
6.	Acceptance Instructions	16
7.	Continuous Disclosure Obligations.....	17
8.	ASX Announcements.....	18
9.	Terms of securities offered.....	21
10.	Director's interests.....	23
11.	Taxation	24
12.	Overseas Investors.....	24
13.	Privacy	24
14.	Electronic Prospectus.....	24
15.	Investment Decisions	25
16.	Future Performance.....	25
17.	Enquiries.....	25

KEY INVESTMENT RISKS – SUMMARY

Please read and consider this Prospectus in full and in conjunction with any matters which have or may be referred to in the Company's ASX announcements before deciding to apply for New Shares and New Options.

Section 5 of this Prospectus contains a summary of some of the key risks associated with investment in the Company, including but not limited to risks associated with the Offer as set out below:

- Value of securities and share market conditions.
- Liquidity risks.
- Taxation consequences for the acquisition or exercise of securities.
- Dilution risk for existing shareholders of the Company.
- There being no guarantee that the share price of the Company will be greater than the exercise price of New Options prior to the expiry date of New Options.

Section 5 also includes business and industry risks of the Company, a selection of which are set out below:

- Risks associated with obtaining additional funding as and when required in future.
- Risks associated with business integration.
- Risks associated with the market in which the Company operates, including the ability of the Company to gain acceptance for the secure sales of its services in such market.
- Competition and new technologies risks.
- Risks associated with reliance on third parties.
- The availability and retention of personnel, including key management personnel of the Company.
- Intellectual property risks.
- Data security risks and the impact of related legislation / regulation.
- Change in strategy risks.

In addition, there are risks of a more general nature, such as economic and market conditions.

A more detailed overview of some of the key risks associated with the Company and its operations are set out in section 5 of this Prospectus.

ABOUT THE OFFER - SUMMARY

The following summary provides only a limited overview of the Offer being made by the Company. Further detail is set out in this Prospectus. Please read and consider this Prospectus in full before making any decision regarding applying for securities under the Offer, exercising existing options or investing in the Company.

Topic	Summary	For more information see:
What is the Offer?	An offer of up to 100 New Shares at \$0.005 (0.5 cent) per New Share and 100 New Options to invitees determined by the Company.	Section 1.1
What is the purpose of the Offer?	The purpose of the Offer is to facilitate the secondary trading of the Placement Shares, Placement Option, Broker Shares, Broker Options and LSP Shares.	Section 2
What are the terms of the New Shares?	All New Shares will be fully paid ordinary shares that rank equally in all respects with the Company's shares already on issue.	Section 9.1 & 9.3
What are the terms of the New Options?	New Options have an exercise price of \$0.01 (1 cent), expiry date of 5 September 2026 and, upon exercise, entitle the holder to one fully paid ordinary share in the capital of the Company. The full terms of New Options are set out in Section 9.2.	Sections 9.2 & 9.3
Is the Offer underwritten?	No, the Offer is not underwritten.	Section 1.4
Is there a minimum subscription?	There is no minimum subscription amount.	Section 1.5
Are there risks associated with investment in the Company?	There are risks associated with investment in the Company. These include risks relating to the Company, risks relating to the Offer and risks associated with financial investment generally. Please carefully consider the risks and the information contained in this Prospectus in conjunction with any matters which have or may be referred to in the Company's ASX announcements before making any decision regarding applying for or acquiring shares or otherwise making an investment in the Company.	Section 5
How do I accept the Offer?	Only recipients of a written invitation and personalised Application Form from the Company may apply for and receive New Shares and New Options under the Offer.	Section 6
What are the taxation implications of participating in the Offer?	Taxation implications will vary depending upon the specific circumstances of the investor. You should obtain professional advice as to taxation treatment.	Section 11
How and when will I know if my application was successful?	Holding statements confirming any issue of New Shares and New Options (if any) are anticipated to be dispatched on or about 28 April 2023. Anyone who trades securities before receiving holding statements does so at their own risk.	Section 6
Where can I find more information about the Company?	For more information on the Company please see the Company's website (www.cipherpoint.com) or refer to the Company's ASX announcements (available on the ASX's website www2.asx.com.au , search code "CPT").	Section 17
What if I have questions about the Offer or how to apply?	You should consult your stockbroker, accountant, solicitor or other professional adviser before making any decision regarding applying for securities. Questions can be directed to the Company by email to steven.bliim@cipherpoint.com .	Section 17

1. **Details of the Offer**

1.1 **The Offer**

Cipherpoint Limited [ABN 61 120 658 497] (**CPT** or **the Company**) offers up to 100 New Shares and 100 New Options (the **Offer**). The Offer is only made to and capable of acceptance by investors determined by the Company who receive an invitation to participate in the Offer. The Offer closes on 28 April 2023 at 5:00pm Sydney time (unless closed early or extended). The purpose of the Offer is to facilitate secondary trading of the Placement Shares, Placement Options, Broker Shares and Broker Options, each being as defined in Section 1.2, and LSP Shares as defined in Section 1.3.

1.2 **Background to Placement**

On 27 January 2023, the Company announced the proposed issue of 155,160,000 fully paid ordinary shares at an issue price of \$0.005 (0.5 cents) per share to raise \$750,000 before costs, with every two shares to be accompanied by one free-attaching option with an exercise price of \$0.01 (1 cent) and expiry date of 5 September 2026 (**Placement**). These shares and options were issued on 3 February 2023.

As part of the Placement process, the Company received and accepted an oversubscription under the Placement for 5,000,000 fully paid ordinary shares (**Placement Shares**) and 2,500,000 free-attaching options (**Placement Options**), each of the same terms of the Placement. The issue of the Placement Shares and Placement Options was subject to shareholder approval which was obtained at the general meeting of the Company on 30 March 2023.

The Placement Shares and Placement Options are proposed to be issued prior to the closing date. This Prospectus is proposed to qualify the Placement Shares and Placement Options for secondary trading.

Cumulus Wealth and CoPeak Pty Ltd trading as Peak Asset Management (**JLMs**) acted as the joint lead managers of the Placement. Fees payable to the JLMs for their role in connection with the Placement comprised 40,000,000 options with the same terms as Placement Options (**Broker Options**) and a 6% fee on the total amount raised under the Placement. The Company has agreed with the JLMs that the 6% fee is payable by the Company in fully paid ordinary shares (**Broker Shares**) and free-attaching Broker Options on the same terms as the Placement, being a deemed price of \$0.005 (0.5 cents) per Broker Share (10,570,560 Broker Shares) with each two Broker Shares being accompanied by one free-attaching Broker Option (5,285,280 Broker Options). Shareholder approval for the issue of the 10,570,560 Broker Shares and 45,285,280 Broker Options was obtained at a general meeting of the Company on 30 March 2023.

The Broker Shares and Broker Options are proposed to be issued prior to the Closing Date. This Prospectus is proposed to qualify the Broker Shares and Broker Options for secondary trading.

1.3 **LSP Share allocation**

The Company proposes issuing an aggregate of 20,500,000 fully paid ordinary shares (**LSP Shares**) to unrelated eligible persons under the employee loan share plan of the Company (**ELSP**) prior to the Closing Date. The issue of LSP Shares will be made within the capacity for issues to unrelated eligible persons available under the ELSP as approved by shareholders on 4 November 2022. In accordance with the terms of the ELSP, the LSP Shares will not be quoted (listed) until such time as any loan provided by the Company in respect of the LSP Shares has been repaid in accordance with the terms of the ELSP. This Prospectus is proposed to qualify the LSP Shares for secondary trading in the event they are quoted (listed) in future.

1.4 **No Underwriting**

No, the Offer is not underwritten.

1.5 **Minimum subscription**

There is no minimum subscription for New Shares and New Options under the Offer.

1.6 ASX Listing

The Company will apply to ASX for admission of the New Shares and New Options to official quotation within 7 days of the date of this Prospectus. The fact that ASX may grant official quotation of the New Shares and New Options is not to be taken in any way as an indication of the merits of the Company or those securities.

If ASX does not grant permission for the official quotation of New Shares and New Options within 3 months after the date of issue of this Prospectus (or such period as is permitted by the Corporations Act), the Company, in its absolute discretion, will either repay the application monies to Applicants without interest or (subject to any necessary ASIC or ASX waivers or consents being obtained) issue a supplementary or replacement prospectus and allow applicants one month to withdraw their application and be repaid their application monies without interest.

The issue of this Prospectus will also facilitate the secondary trading of the Placement Shares, Placement Options, Broker Shares, Broker Options and LSP Shares issued prior to the Closing Date.

1.7 Prohibition on exceeding 20% voting threshold

Recipients of securities must have regard to, and comply with, the takeovers prohibition (the 20% voting power threshold) and substantial holder disclosure requirements of the Corporations Act.

The Company expressly disclaims any responsibility for ensuring that recipients do not breach the takeovers prohibition and/or the substantial holder disclosure requirements under the Corporations Act.

The Company may refuse to issue securities where such issue and/or exercise would constitute a breach of the 20% voting power threshold under the Corporations Act.

Recipients of securities should seek their own professional advice regarding if they may be at risk of breaching the takeovers prohibition or be required to comply with the substantial holder disclosure requirements under the Corporations Act as a result of the issue of securities.

2. Purpose of the Offer

The purpose of this Prospectus, and the Offer made under it, is to comply with section 708A(11) of the Corporations Act so that certain securities that are to be issued prior to the Closing Date which are part of an existing quoted class of securities can be offered for sale within 12 months of issue. Specifically, this Prospectus will facilitate the secondary trading of the Placement Shares, Placement Options, Broker Shares, Broker Options and LSP Shares.

3. Financial effect of the Offer

The Offer will have a negligible impact on the financial position of the Company, with the maximum raising being \$0.50 if the Offer is fully subscribed. As noted above, this Prospectus has been prepared primarily to facilitate the secondary trading of the Placement Shares, Placement Option, Broker Shares, Broker Options and LSP Shares. The anticipated approximate costs of the Offer are set out in the table below:

Particulars	Amount (\$)
Legal, printing and postage	\$5,000
ASIC and ASX Fees *	\$9,000
TOTAL	\$14,000

** includes anticipated ASX fees for quotation of 15,570,560 ordinary shares (being the Placement Shares, Broker Shares and maximum number of New Shares), 47,785,380 quoted options (being the Placement Options, Broker Options and the*

maximum number of New Options) and the Prospectus lodgement fee payable to ASIC. Does not include anticipated ASX fees for quotation in the event the LSP Shares are quoted in future.

The anticipated financial impact of the Offer will be to reduce the cash reserved of the Company by approximately \$14,000, being the anticipated costs of the Offer noted in the above table and having regard to the negligible maximum subscription under the Offer.

Other than as described above, the Offer is not otherwise anticipated to have an impact upon the financial position of the Company other than as set out in this section 3.

4. **Effect on the Capital Structure of the Company**

4.1 **Shares and Convertible Securities**

Capital Structure

The tables below set out the existing capital structure of the Company and the effect on the Company's capital structure of the Offer, as well as the issue of Placement Shares, Placement Options, Broker Shares, Broker Options and LSP Shares in combination. Except as described above, these tables assume that no further securities are issued by the Company and that no convertible securities convert to fully paid ordinary shares.

SHARES

	Number	% of total*
Existing ordinary shares **	1,143,673,812	86.00%
Placement Shares	155,160,000	11.67%
Broker Shares	10,570,560	0.79%
LSP Shares	20,500,000	1.54%
New Shares under the Offer (maximum)	100	0.00%
Total shares	1,329,904,472	100%

* percentages are rounded to two decimal places

** includes 49,235,305 fully paid ordinary shares issued to unrelated eligible persons of the Company under the employee loan share plan (ELSP) of the Company that are unlisted (LSP Shares). The issue of the LSP Shares was made within the capacity for issues to unrelated eligible persons available to the Company under the ELSP as approved by shareholders on 4 November 2022. In accordance with the terms of the ELSP, the LSP Shares will not be quoted until such time as the loan provided by the Company in respect of the LSP Shares has been repaid in accordance with the terms of the ELSP.

CONVERTIBLE SECURITIES

The existing and proposed convertible securities of the Company are set out in the tables below:

Existing and proposed Options

Listed/Unlisted	Number of options	Expiry Date	Exercise price
Listed *	621,687,949	5 September 2026	\$0.01
Unlisted	976,150	6 September 2023	\$0.56
Unlisted	4,500,000	28 October 2025	\$0.048
Placement Options	2,500,000	5 September 2026	\$0.01

Listed/Unlisted	Number of options	Expiry Date	Exercise price
Broker Options	45,285,280	5 September 2026	\$0.01
New Options	100	5 September 2026	\$0.01

*Existing Performance Rights**

Listed/Unlisted	Class	Number
Unlisted	Class A Performance Rights	3,125,000
Unlisted	Class B Performance Rights	1,562,500
Unlisted	Class C Performance Rights	6,562,500
Unlisted	Class E Performance Rights	11,250,000
Unlisted	Class F Performance Rights	2,500,000
Unlisted	Class G Performance Rights	1,250,000
Unlisted	Class H Performance Rights	833,334
Unlisted	Class I Performance Rights	10,000,000
Unlisted	Class J Performance Rights	10,000,000
Unlisted	Class K Performance Rights	10,000,000
Total	-	57,083,334

In addition to the performance rights noted in the table above, the Company proposes issuing up to 26 million performance rights to unrelated eligible persons under the performance rights plan approved by shareholders. Further details regarding the performance rights that are to be issued will be set out in the Appendix 3G released to ASX at or about the time of the issue of performance rights.

4.2 Dilution and control

The percentage shareholding in the Company of existing shareholders will be diluted through the issue of the Placement Shares, Broker Shares, LSP Shares and the New Shares in combination. The dilutive effect outlined below does not consider New Shares, Placement Shares, Broker Shares and/or LSP Shares applied for and received by an existing shareholder (if any). Examples of the impact of dilution on existing shareholders are set out below:

Shareholder (example)	Example holding	% of current total (1,143,673,812 shares)	% of total following issue of New Shares Placement Shares, Broker Shares, LSP Shares (1,329,904,472 shares)
A	5,000,000	0.44%	0.38%
B	10,000,000	0.87%	0.75%
C	15,000,000	1.31%	1.13%
D	20,000,000	1.75%	1.50%
E	30,000,000	2.62%	2.26%
F	50,000,000	4.37%	3.76%

Notes to Table:

- *All percentages are rounded to two decimal places*
- *It is assumed the notional Shareholders in the example above does not acquire or dispose of shares.*
- *Does not take into account the dilutive impact of the issue of shares on conversion of convertible securities, including Placement Options and Broker Options.*

5. Risks

The New Shares and New Options offered under this Prospectus are considered highly speculative. An investment in the Company carries risk. The Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in the Prospectus. This section identifies circumstances the Directors regard as major risks associated with investment in the Company and which may have a material adverse impact on the financial performance of the Company if they were to arise.

Specifically:

- the securities under the Offer are subject to specific risks (refer to section 5.1);
- the business, assets and operations of the Company are subject to specific risk factors that could potentially influence the performance of the Company in the future (refer Section 5.2); and
- there are general investment and market risks (refer Section 5.3).

Where possible, the Board aims to manage these risks by carefully planning the Company's activities and implementing risk control measures. However, as noted above, some of the risks identified below are highly unpredictable and the Company is limited to the extent to which it can effectively manage them. The following risk factors are not intended to be an exhaustive list of risks to which the Company is, or will be, exposed.

5.1 Risks with the Offer

(a) Value of securities and share market conditions

The market price of the Company's securities is subject to varied and unpredictable influences on the market for equities in general and with respect to resources stocks in particular. Market conditions and lack of liquidity may affect the value of the Company's securities regardless of the performance of the Company. The trading price of securities may fall as well as rise.

(b) Liquidity

There can be no assurance there will be, or continue to be, an active market for the securities of the Company or that the price of securities will increase. There can be no guarantee given that there will be, or will continue to be, an active market for the securities or that the price of securities will increase.

(c) Taxation consequences

The acquisition of securities may have taxation consequences, depending on the circumstances of the recipient. In addition, the exercise of convertible securities (including New Options, Placement Options and/or Broker Options) may have taxation consequences. You should seek professional advice before investing in the Company.

(d) Dilution

The issue of New Shares, Placement Shares, Broker Shares and LSP Shares will dilute existing shareholders. Examples of the potential dilutive impact of the issue of New Shares, Placement Shares, Broker Shares and LSP Shares is set out in Section 4.2. The issue of New Options and Placement Options will not dilute shareholders until shares (if any) are issued upon exercise of New Options, Placement Options and/or Broker Options. The

exercise of New Options, Placement Options and/or Broker Options into shares, if it occurs, will result in the dilution of shareholders who do not hold or who do not exercise or convert the convertible securities into shares.

(e) Exercise price of options

There is no guarantee that the share price will be greater than the exercise price of New Options, Placement Options and Broker Options prior to the expiry date. Accordingly, there is a risk the New Options, Placement Options and Broker Options will be out of the money during the exercise period, which will affect the value of New Options, Placement Options and Broker Options.

5.2 Specific Risks

(a) Future requirements for capital

The Company's ability to operate into the future will depend on its ability to deploy its services, sell to its current customer base and attract new customers. This will depend on the ultimate demand for its products and solutions by consumers, which cannot be guaranteed. Other factors that will determine the Company's ability to continue operations are its ability to manage its costs, to execute its development and growth strategies, economic conditions in the markets the Company operates, competitive factors and regulatory developments. The Company's business is not yet cashflow positive. The Company will seek to progress existing sales opportunities with key target customers. Even if one or more of these opportunities were successfully progressed (of which there can be no guarantee), the Company may require further funding in addition to current cash to fund future development activities or the acquisition of new intellectual property or technology.

Additional equity financing, if available, may be dilutive to shareholders and/or occur at prices lower than the market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed it may be required to reduce the scope of its business and development operations or cease operations.

In addition to dilution as a result of future fundraising initiatives, shareholders may also be diluted by other equity issues including shares issues made for the acquisition of assets or issues made upon the exercise of options or conversion of performance rights (if any).

(b) Business integration risk

The Company has recently completed the acquisition of the Excite IT business (23 November 2022) and prior to that acquired both the VIT Services business (25 November 2021) and the Brace168 business (6 April 2021). The Company's ability to successfully integrate these businesses and leverage opportunities for cross-sales and lead referrals will have an impact upon its financial and operational success. The Company believes there are both efficiencies of scale and sales and product sales benefits which have, and will continue to be, derived from the integration of its business units however there is a risk that integrations may be more time and cost consuming than expect or may not result in the efficiencies or benefits which are intended.

(c) Market acceptance

To be successful, the Company's services need to find acceptance in a competitive market and the Company needs to demonstrate an ability to retain existing customers and attract new customers.

Market acceptance and customer retention depend on many factors, including identifying and obtaining access to relevant markets, convincing users of the attractiveness of the Company's services, and its ability to enhance existing services and potentially develop new services to meet market demands and opportunities, customer service, competition and pricing.

The market in which the Company operates is an emerging market category comprising many service offerings including in cyber security managed detection and response managed security services. As such, it is difficult to ascertain the knowledge and confidence of consumers in services like those of the Company and the estimate

of market demand may not be accurate. In addition, the sales cycles for the types of customers which the Company is targeting can be slow.

(d) Competition and New Technologies

The markets for information technology, information security, managed information and security services, cloud services, data security and managed detection and response services are highly and increasingly competitive across a wide range of industry segments and geographies with both platform and product offerings from companies of various sizes on a domestic and global scale. Although the Company will undertake all reasonable due diligence in making business and operational decisions, it will have no influence or control over the activities or actions of its competitors, which activities or actions may affect the industries and markets in which the Company operates and therefore, may positively or negatively affect the operating and financial performance of the products and business of the Company.

The size and financial strength of some of the Company's competitors may make it difficult for it to maintain a competitive position in the information and cyber security services market. In particular, the Company's ability to develop and/or acquire additional service offerings could be adversely affected if it is unable to respond effectively and/or in a timely manner to the strategies and actions of competitors and potential competitors or the entry of new competitors into the market. This may in turn impede the financial condition and rate of growth of the Company.

Key to the Company's ability to mitigate this competition risk is in achieving appreciable market share and differentiation from its key competitors. The Company has sought and will continue to seek to mitigate competition risk by maintaining key industry certifications and best practice, and by ongoing monitoring of existing and emerging competitors.

(e) Services Platform Risk

The Company may not be able to maintain or upgrade its existing technology, managed service platforms and processes to meet identified market needs and/or achieve market acceptance. The development and/or enhancement of technology is potentially time consuming and costly. There is no guarantee the Company will be able to enhance its existing technology, or develop new technology, in a timely and/or cost-effective manner, if at all. This could lead to the Company failing to capitalise on identified market opportunities. Furthermore, these activities are expensive and often time consuming and inherently risky. There can be no guarantee that the Company will achieve a return on its investment in this development.

The Company's services are, and will continue to be, reliant on the ability to integrate with third-party software applications. The Company's ability to maintain these integrations and expand integrations with software applications to meet market demands will be important to its ability to successfully market and sell its services

(f) Third Party Reliance Risk

There is a risk that any third-party technology used by the Company in its current products may subsequently require payment to upgrade that technology or the payment of royalties to the proprietors of that technology.

The Company's current strategy avoids the risk of dependence on proprietary third-party technology by using technology with standardised open source or royalty free tools and libraries. The Company is of the view that if the technology it currently uses becomes proprietary in the future, there are existing open source technologies which are available. However, the Company cannot guarantee that such alternatives will remain available at all times.

By using third party tools in the support of its services, the Company faces a risk that those tools contain imperfections such as bugs or errors which may adversely affect operations. This problem can occur with any third-party tools or technologies in use by the Company.

The Company seeks to mitigate this risk by ensuring that it maintains an agile upgrade process involved with patching and updates where these problems are publicly identified. In addition, internal processes for testing

and quality assurance reduce potential risks caused via the incorporation of updates to third party libraries and development tools.

(g) Staff Risk

The Company has few employees. There is a risk that, where there is a turnover of staff who have knowledge of the technology and business, that knowledge will be lost if those staff resign or retire. This involves the risk that those staff will have information in respect of intellectual property and market knowledge which has a commercial value to the Company as well as an opportunity cost for replacement of those staff and subsequent training.

(h) Intellectual Property

The ability of the Company to protect its intellectual property, including business processes, trade secrets and know-how, is an important part of ensuring the value of its services. The Company will be largely reliant on know-how and trade secrets which are not the subject of formal intellectual property registrations. There is a risk that, while measures are in place to protect the Company's intellectual property (which include requiring all staff and contractors to sign contracts with provisions which relate to ownership of intellectual property and restraints of trade), those measures may not be adequate to protect against third parties obtaining intellectual property (or parts of it). More generally, actions which the Company takes to protect its intellectual property may not be adequate or enforceable and may not prevent misappropriation of intellectual property or proprietary information. Further, any enforcement actions could be costly, time consuming and potentially difficult to enforce in certain jurisdictions or may ultimately prove unfavourable.

There is also a risk that the Company's services could infringe, or be alleged to infringe, the intellectual property rights of third parties. The Company may be the subject of claims which could result in disputes or litigation which could result in the payment of monetary damages, be time consuming and/or result in the Company incurring significant costs. Any such claims could have an adverse impact on the Company's operations, reputation or financial performance.

(i) Data Security Risks and Impact of Related Legislation/Regulation

The Company may collect, store, process and analyse the data generated by its customers. Such data can be highly sensitive, highly regulated and confidential in nature. The provision of secure and reliable information storage and processing services is integral to the businesses and operations of the Company.

The Company could suffer unauthorised infiltration of its system by hackers to obtain data or insert a cyber-virus or bug or may be the subject of unauthorised disclosure of confidential customer information or loss of information due, for example, to system failures. This may disrupt the Company's technology or otherwise impact customers using the Company's services. Such action could compromise client data and cause service shutdowns, leading to customer dissatisfaction and loss of goodwill and reputation damages and potentially result in claims being made against the Company. The Company employs practices, including periodic penetration testing, automatic and manual encryption systems and staff screening, to protect its system from being compromised and to reduce the prospects of a cyber-virus or bug being introduced into its platform or products. These practices are reviewed and updated periodically however there is no guarantee they will be adequate to protect against the risks outlined in this section.

Furthermore, as the Company's services can be used to collect and store sensitive information, it will likely be subject to various privacy laws and regulations in the countries in which it operates. Privacy and data security legislation and regulation could result in additional costs associated with compliance, reporting and potential product development and potentially liabilities in the case of enquiries and/or breaches.

(j) Change in strategy

The Company seeks to identify desirable opportunities from time to time. Accordingly, the plans and strategies of the Company may evolve such that the existing operations of the Company may change. Such change could include, amongst other matters, acceleration of the development of one or more of the services of the Company, the acquisition of one or more products or services from another party or the disposal of one or more of the existing products or services of the Company. As a result, the current strategies, approaches and plans may not reflect the strategies, approaches and plans of the Company at a later date. Any such changes have the potential to expose the Company to heightened or additional risks.

(k) Taxation

The Company may be exposed to direct and indirect income or other taxes or imposts of any kind in its home jurisdiction or any in country in which it conducts business. The Company intends to seek appropriate advice on such matters. However, there are risks that such taxes or imposts may create liabilities and/or lead to disputes which may expose the company to assessments, imposts or fines and actions for recovery of such moneys or the recovery of prior liabilities or refunds of tax.

There also is no guarantee that prior tax losses in any jurisdiction can or will be used on a go-forward basis.

(l) Insurance

The Company is sometimes required to provide or maintain insurances that may be required by customers as a condition of purchase of its services. There is a risk that the Company may not be able to obtain such insurances at a reasonable price or at all. In such circumstances the Company may lose sales or be exposed to significant liability risk.

5.3 General Risks

(a) Pandemic

The Company's operations may be adversely affected in the short to medium term by the economic uncertainty caused by a pandemic. Although the impacts of COVID-19 appear to have stabilised in most countries including Australia, no guarantee can be given that governmental or industry measures taken in response to COVID-19, or any potential future pandemic (if any), will not adversely impact the operations of the Company and are likely to be beyond the control of the Company.

(b) Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may adversely affect the Company's activities, as well as its ability to fund those activities. Further, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors as:

- general economic outlook;
- interest rates and inflation rates;
- currency fluctuations;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- global health and safety; and

- terrorism or other hostilities.

(c) Regulatory Risks

Changes in government, financial policy, taxation and other laws in any local and/or international markets or regions cannot be predicted and may affect the Company's ability to carry on its proposed activities, restrict the Company in achieving its objectives or may result in increased compliance costs or complexities in managing the Company's proposed operations and activities.

The Company is also subject to various regulatory requirements, including technology and accounting requirements. Changes to standards, policies, guidelines, interpretations or principles may affect the Company's ability to carry out its activities and/or achieve its objectives. The Company cannot control or predict changes to regulatory requirements, which may adversely affect the Company.

(d) Litigation Risks

The Company is exposed to possible litigation risks including contractual disputes, disputes arising from the sale or disposal of Company assets, shareholder actions, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position.

(e) Unforeseen risks

There may be other risks which the Directors and/or management of the Company are unaware of at the time of issuing this Prospectus which may impact upon the Company, its operations and/or the value and performance of the securities of the Company.

(f) Inability to pay dividends or make other distributions

The Company has never declared or paid dividends on its share capital, and the Company does not expect to do so in the short to medium term. There is no guarantee that dividends will be paid on shares in the future. Any distribution is a matter to be determined by the Board in its discretion having regard to the financial performance and position of the Company and applicable laws.

5.4 Speculative Investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above risk factors, and other risks not specifically referred to above, may materially affect the future financial performance of the Company and the value of the securities offered under this Prospectus.

Securities of the Company carry no guarantee with respect to the payment of dividends, returns of capital or market value. The Company does not expect to declare any dividends for the foreseeable future.

Potential investors should consider that investment in the Company is highly speculative and should consult their professional advisors before deciding whether to apply for securities under this Prospectus.

6. Acceptance Instructions

6.1 Completing an application form

Applications for New Shares and New Options under this Prospectus must only be made by recipients of a personalised application form from the Company to participate in the Offer. The Company may determine at its discretion whether to accept any or all applications for securities under the Offer. Applications forms and payment (if any) must be delivered to the Company in accordance with instructions on the application form.

6.2 General

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Persons resident in countries outside Australia should consult their professional advisers as to whether governmental or other consent are required or whether formalities need to be observed for them to acquire securities. Return of a personalised application form will be taken by the Company to constitute a representation that there has been no breach of such requirements.

No account has been taken of the objectives, financial situation or needs of recipients of this Prospectus and recipients of this Prospectus should have regard to their own objectives, financial situation and needs.

Recipients of this Prospectus should make their own independent investigations and assessment of the Company, its business, assets and liabilities, prospects and profits and losses, and the risks associated with investing in the Company. Independent expert advice should be sought before any decision is made to accept the Offer and/or to apply for securities under this Prospectus.

If you have any questions please contact the Company by email to steven.bliim@cipherpoint.com.

7. Continuous Disclosure Obligations

This Prospectus is issued by the Company in accordance with the provisions of the Corporations Act applicable to a prospectus for continuously quoted securities or securities convertible into continuously quoted securities.

Section 713 of the Corporations Act enables a company to issue a special prospectus where the securities under that prospectus are continuously quoted securities or are options to acquire continuously quoted securities within the meaning of the Corporations Act. This generally means that the relevant securities are in a class of securities that were quoted enhanced disclosure securities at all times during the 3 months before the date of this Prospectus (or are options to acquire such securities) and other requirements relating to the Company not being subject to various exemptions and orders under the Corporations Act within the last 12 months are met.

In summary, special prospectuses are required to contain information in relation to the effect of the offer of securities on the company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the date of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

For the purpose of satisfying section 713(5) of the Corporations Act a prospectus must incorporate information that:

- (a) has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- (b) is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - the assets and liabilities, financial position and performance, profit and losses and prospects of the Company; and
 - the rights and liabilities attaching to the securities being offered.

The prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisors to expect to find such information in the prospectus. The Company is not aware of any

matters that need to be disclosed under this section of the Corporations Act that have not been previously disclosed or which have not been set out in this Prospectus.

The Company operates an ongoing business and reports regularly on its activities. The Company from time to time seeks to engage in discussions on an ongoing basis in respect of potential opportunities. While the Company may seek to negotiate such opportunities there is no certain any such arrangement(s) will be finalised on particular terms, at a specific time, or at all. The Company will make further announcements in respect of any such opportunities (if any) in accordance with its continuous disclosure obligations as developments, if any, occur (however no guarantee can be given that such developments, if any, will occur).

As a disclosing entity under the Corporations Act, the Company is subject to regular reporting and disclosure obligations. Copies of documents lodged with ASX and ASIC in relation to the Company may be obtained from or inspected by accessing the respective web sites.

Any person may request, and the Company will provide free of charge, a copy of each of the following documents during the acceptance period of this Prospectus:

- (a) The annual financial report of the Company for the financial year ended 31 March 2022 (released to ASX on 25 July 2022), being the most recent annual financial report of the Company before the lodgement of this Prospectus with ASIC; and
- (b) The half year financial report of the Company for the half year for the half year ended 30 September 2022 (released to ASX on 1 December 2022), being the most recent financial report of the Company before the lodgement of this Prospectus with ASIC; and
- (c) Any continuous disclosure notices given by the Company since the lodgement of the Annual Financial Report referred to in (b) above before lodgement of this Prospectus. Continuous disclosure notices given by the Company since the lodgement of the Annual Financial Report to the date of this Prospectus are listed in Section 8 of this Prospectus.

Such documents are also available online from the ASX website at www2.asx.com.au, search code "CPT".

8. ASX Announcements

The following announcements (continuous disclosure notices) have been made by the Company to ASX since lodging its annual financial report for the year ended 31 March 2022 with ASIC:

Date	Headline
31 March 2023	Proposed issue of securities – CPT
30 March 2023	Results of General Meeting
29 March 2023	General Meeting Update
28 February 2023	Letter to Shareholders – Notice of Meeting
28 February 2023	Notice of General Meeting
17 February 2023	Appendix 3H – Notification of cessation of securities
13 February 2023	Change in substantial holding
7 February 2023	Amended header – Change in substantial holding
7 February 2023	Change of Director’s Interest Notice
7 February 2023	Becoming a substantial holder
3 February 2023	Application for quotation of securities – CPT

3 February 2023	Application for quotation of securities – CPT
3 February 2023	Proposed issue of securities – CPT
2 February 2023	Cleansing Prospectus
31 January 2023	Appendix 4C and Activities Report
27 January 2023	Proposed issue of securities - CPT
27 January 2023	Cipherpoint Raises \$750K to Drive Further Growth
24 January 2023	Trading Halt
24 January 2023	Pause in Trading
20 January 2023	Becoming a substantial holder
6 January 2023	Appendix 3Z - GM
6 January 2023	Cipherpoint Announces Changes to Board
19 December 2022	Services Agreement signed with Lend Lease Retirement Living
13 December 2022	Cipherpoint subsidiary ExciteIT Signs Agreement with Healius
5 December 2022	Becoming a substantial holder
5 December 2022	Appendix 3Y - GM
2 December 2022	Funding Update
1 December 2022	Half Year Accounts
30 November 2022	Change of Auditor
30 November 2022	Appendix 3X - BS
30 November 2022	Form 603
23 November 2022	Shareholder and Investor Presentation
23 November 2022	Notification regarding unquoted securities - CPT
23 November 2022	Application for quotation of securities - CPT
23 November 2022	Completion of Excite IT Acquisition
22 November 2022	Notification of cessation of securities - CPT
22 November 2022	Application for quotation of securities - CPT
22 November 2022	Cleansing Prospectus
16 November 2022	Appendix 3X - KB
16 November 2022	Appendix 3Z - TP
16 November 2022	Notification regarding unquoted securities - CPT
15 November 2022	ASX Grants Listing Rule Waiver
10 November 2022	Board Changes
4 November 2022	Results of General Meeting
3 November 2022	General Meeting Update
1 November 2022	Amendment to September Quarterly Activities Report

28 October 2022	Appendix 4C and Activities Report
25 October 2022	Addendum to Notice of Meeting
25 October 2022	Update on EGM
5 October 2022	Update on CFO and Company Secretary Positions
5 October 2022	Change in Substantial Holding
30 September 2022	Application for quotation of securities - CPT
27 September 2022	Postponement of General Meeting
27 September 2022	Shortfall Placement Update
15 September 2022	Appendix 3Y - TP
12 September 2022	Shareholder and Shortfall Placement Update
8 September 2022	CPT Options - Top 20
8 September 2022	CPT Options - Distribution Schedule
8 September 2022	Application for quotation of securities - CPT
8 September 2022	Application for quotation of securities - CPT
7 September 2022	Results of Rights Issue
5 September 2022	Notification regarding unquoted securities - CPT
5 September 2022	Notification regarding unquoted securities - CPT
5 September 2022	Notification regarding unquoted securities - CPT
5 September 2022	Application for quotation of securities - CPT
5 September 2022	Application for quotation of securities - CPT
2 September 2022	Update to Shareholders
1 September 2022	Results of Annual General Meeting
1 September 2022	Chairman's AGM Address
31 August 2022	Update on Proposed Acquisition of Excite IT
30 August 2022	Notice of General Meeting
30 August 2022	Letter to Shareholders - EGM
26 August 2022	Update on 2022 Annual General Meeting Venue
26 August 2022	Notification of cessation of securities - CPT
11 August 2022	Rights Issue - Letter Ineligible Holders
3 August 2022	Letter to Shareholders - AGM
3 August 2022	Notice of Annual General Meeting
3 August 2022	Update - Proposed issue of securities - CPT
3 August 2022	Rights Issue Prospectus
3 August 2022	Notification regarding unquoted securities - CPT
3 August 2022	Application for quotation of securities - CPT

29 July 2022	Appendix 4C and Activities Report
28 July 2022	Proposed issue of securities - CPT
28 July 2022	Proposed issue of securities - CPT
28 July 2022	Proposed issue of securities - CPT
28 July 2022	Proposed Acquisition of Excite IT
27 July 2022	Trading halt
26 July 2022	Reinstatement to official quotation
26 July 2022	CPT Provides Positive Funding and Operational Update
25 July 2022	Appendix 4G and Corporate Governance Statement
25 July 2022	Release of Audited Financial Results & Adjustment to 4E
25 July 2022	Annual Report to shareholders

Any person may request, and the Company will provide free of charge, a copy of any of the above announcements during the application period of this Prospectus.

The Company may make further announcements to ASX from time to time. Announcements are released by ASX on its website, www2.asx.com.au under the Company's ASX code "CPT" and copies of announcements can be obtained from the Company upon request and are available on the Company's website www.cipherpoint.com. Prospective investors are advised to refer to ASX's website for updated releases about events or matters affecting the Company.

In making statements in this Prospectus, it is noted that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

9. **Terms of securities offered**

9.1 **Terms of shares**

New Shares, Placement Shares and Broker Shares will be fully paid ordinary shares in the capital of the Company, which will rank equally with, and will have the same voting and other rights as existing issued shares of the Company. The rights attaching to the shares are set out in the Company's constitution, the Listing Rules of ASX and the Corporations Act. The Company's constitution has been lodged with ASIC. The constitution contains provisions of the kind common for public companies in Australia and are taken to be included in this Prospectus by operation of Section 712 of the Corporations Act. Any person may request a copy of the constitution during the application period of the Prospectus, which the Company will provide free of charge.

LSP Shares have the same rights and terms as New Shares, Placement Shares and Brokers Shares as noted above, however LSP Shares are also subject to the terms of the ELSP and in particular will not be quoted (listed) until such time as any loan provided by the Company in respect of LSP Shares is repaid in accordance with the terms of the ELSP.

9.2 **Terms of New Options**

New Options, Placement Options and Broker Options (collectively referred to as **Options** in this Section 9.2) have the following common terms:

- (a) Each Option entitles the holder to acquire one fully paid ordinary share (**Share**) in the capital of the Company. The Company proposes applying for official quotation (listing) of the Options.

- (b) The exercise price is \$0.01 (1 cent) (**Exercise Price**) per Option.
- (c) Each Option is exercisable at any time prior to 5:00pm Melbourne time on 5 September 2026 (**Expiry Date**).
- (d) Options may be exercised by providing written notice together with payment for the number of Shares in respect of which Options are exercised to the registered office of the Company.
- (e) Any Option that has not been exercised prior to the Expiry Date or cancelled in accordance with these terms shall automatically lapse.
- (f) An Option shall not be able to be exercised (and the Company will not be required to issue Shares upon such exercise) if it would be unlawful to do so.
- (g) Subject to compliance with applicable laws, Options are freely transferrable.
- (h) The Exercise Price is payable in full upon exercise of Options.
- (i) Where an Option holder determines to exercise some, but not all, of their held Options, the total aggregate amount payable to exercise the Options must be a minimum of \$1,000.
- (j) All Shares issued upon exercise of Options will rank pari passu in all respect with, and have the same terms as, the Company's then issued fully paid ordinary shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX and the Company being listed on ASX at the relevant time. The Options will not give any right to participate in dividends until shares are issued pursuant to the terms of the relevant Options.
- (k) There are no participation rights or entitlements inherent in the Options. Option holders are not entitled to participate in new issues of securities offers to shareholders without first exercising the Option. Prior to the Expiry Date and if required by the ASX Listing Rules, the Company will send notices to option holders in accordance with the time limits required by the ASX Listing Rules in respect of offers of securities made to shareholders.
- (l) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
- (m) Options will otherwise have the terms as required by ASX and the ASX Listing Rules.

9.3 General

The Offer and any application concerning the issue of securities under this Prospectus shall be governed and construed in accordance with the laws in the State of Victoria, Australia.

10. Director's interests

10.1 Securities

The Directors' direct and indirect interests in securities of the Company as at the date of this Prospectus and the effect of the Offer on the direct and indirect share holdings of Directors are set out in the following table:

Director/Shareholder (and/or associate(s))	% of current total (1,143,673,812 shares)		% of total following issue of New Shares, Placement Shares and Broker Shares, LSP Shares (1,329,904,472 shares)		Existing performance rights
	Number	%	Number	%	
Steven Bliim	1,081,910	0.09%	1,081,910	0.09%	5,000,000
Bryan Saba	97,000,000	8.48%	97,000,000	7.29%	30,000,000
Ken Benson	Nil	Nil	Nil	Nil	4,583,334
TOTAL:	98,081,910	8.57%	98,081,910	7.38%	39,583,334

Notes to Table:

- (1) *The total number of shares held by Directors in the above table includes all loan plan shares held directly or indirectly by Directors as follows: Steven Bliim: 379,491 loan plan shares.*
- (2) *The above does not take into account the issue of any additional shares after the date of this Prospectus, including any shares issued upon exercise of any options and/or conversion of performance rights.*
- (3) *All percentages are rounded to two decimal places.*

10.2 Remuneration & Payments to Directors

Directors are entitled to receive directors' fees and other remuneration (which may include consulting fees) from the Company in relation to services provided to the Company.

Details of the cash remuneration paid or agreed to be paid to Directors in the two years prior to the lodgement of this Prospectus (excluding GST if applicable and any superannuation) are as follows:

Director	March 2021 – February 2022	March 2022 – February 2023
Steven Bliim	\$118,080	\$34,030
Bryan Saba ²	\$0	\$73,485
Ken Benson ³	\$0	\$15,000

Notes to table:

1. *The remuneration set out above reflects cash paid or agreed to be paid to Directors and includes base salaries in connection with director engagements and compulsory contributions toward director nominated superannuation funds as required by Australian employment law.*
2. *Bryan Saba was appointed a Director on 23 November 2022.*
3. *Ken Benson was appointed a Director on 10 November 2022.*

Other

Except as disclosed in this Prospectus:

- (a) no person has paid or agreed to pay any amount to any Director or has given or agreed to give any benefit to any Director, to induce the Director to become, or to qualify as, a Director of the Company or otherwise for services rendered by the Director in connection with the formation or promotion of the Company or the Offer; and
- (b) no Director or proposed Director has, or has had within two years of lodgement of this Prospectus, any interest in:
 - the formation or promotion of the Company; or
 - any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer, the Placement or issue of the Broker Shares; or
 - the Offer, the Placement or issue of the Broker Shares.

11. Taxation

Recipients of the Offer should seek and obtain their own taxation advice before applying for securities so that they may first satisfy themselves of any taxation implications associated with acquiring securities.

12. Overseas Investors

This Prospectus and any application form do not constitute an offer in any jurisdiction in which, or to any persons to whom, it would not be lawful to make such an offer.

This Prospectus does not constitute an offer for securities in any place where, or to any person whom, it would be unlawful to make such an offer. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law, and persons outside Australia who comes into possession of this Prospectus should seek advice on, and observe any, such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify the Shares or the Offer or otherwise to permit a public offering of the securities in any jurisdiction outside Australia.

The Offer has not been, and will not be, registered under the US Securities Act and has not been made in the United States of America or to persons resident in the United States of America.

13. Privacy

Personal information is collected on application forms by the Company and the Share Registry for processing applications, maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Acceptances might not be processed efficiently, or at all, if the information requested is not provided. Personal information about recipients may be disclosed to external service providers such as print or mail service providers as required or permitted by law. A recipient who would like details of their personal information held by the Company or its Share Registry, or who would like to correct information that is incorrect or out of date, should contact the Company by email, by telephone or at the address shown in the Corporate Directory. In accordance with the Corporations Act, recipients may be sent material (including marketing material) in addition to general corporate communications. Recipients may elect not to receive marketing material by contacting the Share Registry's Privacy Officer. Recipients can also request access to, or corrections of, personal information held by the Company by writing to the Company.

14. Electronic Prospectus

This Prospectus is available in electronic format via the ASX website, www2.asx.com.au and via the Company's website at www.cipherpoint.com.

Persons having received this Prospectus in electronic form may, during the offer period, obtain a paper copy of this Prospectus (free of charge) by contacting the Company by email to steven.bliim@cipherpoint.com.

Applications for securities may only be made on the personalised application form which will be provided to invitees and which will form part of or will be accompanied by the complete and unaltered electronic version of this Prospectus. The Corporations Act prohibits any person from passing on to another person a personalised application form unless it is attached to or accompanied by a hard copy of this Prospectus or by the complete and unaltered electronic version of this Prospectus.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the complete and unaltered electronic version of this Prospectus.

15. Investment Decisions

The information in this Prospectus does not constitute financial product advice. This Prospectus does not take into account the investment objectives, financial situation, tax position and particular needs of individual investors. Investors should obtain their own independent advice and consider the appropriateness of the Offer having regard to their own objectives, financial situation, tax position and needs.

16. Future Performance

Except as required by law, and only then to the extent so required, neither the Company nor any other person warrants the future performance of the Company, or any return on any investment made pursuant to this Prospectus. An investment through applying for and receiving securities under the Offer made by this Prospectus should be considered speculative.

17. Enquiries

You should contact your stockbroker, accountant or independent professional financial adviser before making any decision regarding applying for securities under this Prospectus.

If you have any questions please contact the Company by email to steven.bliim@cipherpoint.com.

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

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company have authorised the lodgement of this Prospectus with ASIC.



Steven Bliim
Non-Executive Chairman