



ASX ANNOUNCEMENT | COVATA LIMITED

1) Covata Appoints MZ Group as its Global Investor Relations Advisor

Sydney – 6 January 2016 – Covata Limited (ASX:CVT) (the “Company” or “CVT”) today announced that it has appointed international IR specialists MZ Group (“MZ”) to enhance the Company’s public presence in key global markets.

Covata welcomes its partnership with MZ Group, the largest independent IR firm in the world, which will be focused on increasing the Company’s visibility amongst Investors primarily in the United States, Europe and Asia. This structured global campaign will be augmented by Covata’s recent business success and high profile partnerships in these regions.

CVT has independently built a strong presence in Australia and increasingly offshore, bringing leading global fund manager Fidelity onto the register at the end of November 2015. MZ is the next evolution for international investor awareness.

MZ has six offices across North America and a strong presence in Asia with offices in Taipei and Hong Kong. Additionally, the Company has extensive industry relationships with investors throughout Europe including key financial hubs in the UK and Germany.

With their stringent client approval process, stocks the firm represent are well respected within the international market. As a result, MZ has developed a stellar reputation as a premier resource for institutional investors, brokers, analysts and private investors.

Ted Haberfield, President for MZ North America, and the MZ Group team will be advising the Company in all facets of corporate and financial communications. MZ will support Covata in executing virtual webinars and in-person roadshows in key cities as well as building brand awareness in financial media.

Trent Telford, Covata CEO said, “After a highly successful first year of being a public company we have decided to partner with MZ Group to continue to expand and strengthen our global investor relations program. MZ Group provides the reach and established track record we need to develop relationships with the retail and institutional investors who are now rapidly entering the cyber-security sector.”

“The Company is entering 2016 with energy and a strong commitment to our global investor relations, sales and marketing goals. We are focused on maximising value for our shareholders and introducing CVT to a larger institutional investor base, along with executing on our business pipeline.”

Matthew Hayden, Chairman of MZ Group North America, said of the signing, “Covata’s approach to security is unique in that its enterprise class solution enables security for data no matter where it goes, how it travels or where it is stored.”



"Unlike popular security solutions of the past that focus inwardly, securing data once it comes to rest within the organization's domain, Covata's solution is also outward facing; extending protection, control and visibility past the perimeter boundaries. In 2015 Covata signed a ten-year global licence agreement with Cisco, and recently won a deal to roll out their product to one of Germany's largest insurance companies, along with sales to many telcos and government agencies. Covata is poised to ramp development of its technologies to address the emerging global threat of cyber-security. We look forward to helping them with all aspects of their corporate communications and investor relations needs."

Covata has agreed to issue 250,000 ordinary CVT shares to MZ Group in two tranches. 125,000 ordinary CVT shares have been issued upon MZ Group's appointment and the firm has agreed to enter into a six month voluntary escrow on this tranche. The Company will issue a further 125,000 ordinary CVT shares nine months after the initial engagement date, conditional upon the agreement continuing to the Company's satisfaction into the second half of 2016.

2) Sale of CEO Shares

Further to the Company's announcement on 10 December 2015, the Company advises that its Chief Executive Officer has completed the sale of a parcel of shares with a further 552,199 ordinary fully paid shares sold.

On a fully diluted basis, the shares sold represent approximately 3.2% of Mr Telford's total equity interests in the Company. Approximately 93.5% of Mr Telford's remaining equity interests remain escrowed until 10 November 2016. Accordingly, Mr Telford remains fully committed to the Company and building shareholder value.

Media and Investor Relations:

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About Covata

Covata enables true ownership and control over your data in the cloud and over mobile services. We deliver data-centric security solutions without compromising simple usability, providing true end-to-end security. Your data is always protected wherever it may travel – inside your network, beyond the domain, to mobile devices and to the cloud – with granular access controls that extend to external users, view-only restrictions, real-time revocation and complete visibility and auditability.

Own Your Data, control your data and choose where it is stored – with complete assurance that it is protected and secure. For further information please visit Covata.com.

About MZ Group

MZ, founded in 1999, combines capital markets intelligence, global investor targeting, IR technology, corporate governance, media and corporate communication and IR consulting, providing comprehensive programs that successfully build and manage shareholder value. With a team of highly experienced senior professionals and an integrated service portfolio, MZ ensures that companies are provided with the right tools and strategies to interact effectively with the investment community and the media, successfully conveying the investment message. MZ's market intelligence, advisory and tactical support activities for investor relations and corporate communications programs are underpinned by a comprehensive IT infrastructure, allowing companies to rapidly achieve global standards of best practices. For more information, please visit www.mzgroup.us.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

COVATA LIMITED

ABN

61 120 658 497

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | (a) No new issue, movement of employee loan plan shares to quoted class.

(b) Ordinary fully paid shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 210,000.

(b) 125,000. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (a) Ordinary fully paid shares.

(b) Ordinary fully paid shares. |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(a) Yes.</p> <p>(b) Yes.</p>
5	Issue price or consideration	<p>(a) Not applicable. No new issue, movement of employee loan plan shares to quoted class.</p> <p>(b) No cash consideration. Issued to consultant in connection with appointment as investor relations advisor (refer to ASX announcement 6 January 2016).</p>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(a) Not applicable. No new issue, movement of employee loan plan shares to quoted class.</p> <p>(b) Issued to consultant in connection with appointment as investor relations advisor.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No.
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable.

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

6c	Number of +securities issued without security holder approval under rule 7.1	Not applicable.
6d	Number of +securities issued with security holder approval under rule 7.1A	Not applicable.
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable.
6f	Number of +securities issued under an exception in rule 7.2	Not applicable.
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable.
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Not applicable.
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	6 January 2016.

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		441,915,665	Ordinary shares (excludes restricted ordinary shares & employee share loan plan shares – see item 9)

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		10,203,138	Ordinary, escrowed for 24 months from date of reinstatement to quotation (CVTAD)
		10,499,872	Employee share loan plan shares (ordinary, employee incentive scheme shares) (CVTAG)
		860,000	Employee share loan plan shares (ordinary, employee incentive scheme shares) which are also escrowed for 24 months from the date of reinstatement to quotation (CVTAL)
		3,525,000	Options exercisable at AUD\$0.2933 expiring 9 March 2016 (CVTAH/AF)

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

8,954,687	Options exercisable at USD\$0.1467 expiring 31 October 2019 (CVTAH/AF)
15,000,000	Options exercisable at AUD\$0.20 expiring 31 October 2019 (CVTAF)
1,737,500	Options exercisable at AUD\$0.20 expiring 22 December 2019 (CVTAH)
500,000	Options exercisable at \$0.285, expiring 10 March 2020 (CVTAH)
1,823,917	Options exercisable at \$0.33, expiring 12 March 2020 (CVTAH)
38,240,979	Warrants exercisable at \$0.274 (27.4 cents) expiring 25 March 2020. The warrants are subject to the vesting conditions outlined in the Company's announcement to ASX on 20 March 2015. (CVTAK)
500,000	Options exercisable at \$0.53, expiring 10 May 2020
100,000	Options exercisable at \$0.47, expiring 20 May 2020
300,000	Options exercisable at \$0.24, expiring 2 November 2020

+ See chapter 19 for defined terms.

	906,994	Options exercisable at \$0.33 and expiring on 17 December 2020
	1,000,000	Options exercisable at \$0.20 and expiring on 30 November 2017
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable.
12	Is the issue renounceable or non-renounceable?	Not applicable.
13	Ratio in which the ⁺ securities will be offered	Not applicable.
14	⁺ Class of ⁺ securities to which the offer relates	Not applicable.
15	⁺ Record date to determine entitlements	Not applicable.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17	Policy for deciding entitlements in relation to fractions	Not applicable.
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not applicable.

⁺ See chapter 19 for defined terms.

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New issue announcement

19	Closing date for receipt of acceptances or renunciations	Not applicable.
20	Names of any underwriters	Not applicable.
21	Amount of any underwriting fee or commission	Not applicable.
22	Names of any brokers to the issue	Not applicable.
23	Fee or commission payable to the broker to the issue	Not applicable.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable.
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable.
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not applicable.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable.
28	Date rights trading will begin (if applicable)	Not applicable.
29	Date rights trading will end (if applicable)	Not applicable.
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable.
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable.

+ See chapter 19 for defined terms.

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|----|--|-----------------|
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | Not applicable. |
| 33 | ⁺ Issue date | Not applicable. |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ☒ ⁺Securities described in Part 1
- (b) ☐ All other ⁺securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	Not applicable.	
39	+Class of +securities for which quotation is sought	Not applicable.	
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Not applicable.	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)	Not applicable.	
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class
		Not applicable.	

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(~~Director~~/Joint Company Secretary)

Date: 6 January 2016

Print name: Patrick Gowans

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	Not applicable
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“C”	
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.15] – “C”	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

⁺ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not applicable
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

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ASX ANNOUNCEMENT | COVATA LIMITED

6 January 2016

708A CLEANSING NOTICE

Covata Limited [ASX:CVT] (**the Company**) gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Act**) in compliance with the requirements of section 708A(6) of the Act as follows:

- (a) On 6 January 2016 the Company issued 125,000 fully paid shares in the Company without disclosure to investors under Part 6D.2 of the Act.
- (b) As at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) the provisions of section 674 of the Act.
- (c) The Company is not aware of any information required to be disclosed for the purposes of section 708A(6)(e) of the Act, being information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the Listing Rules of the ASX; and
 - (ii) that investors and their professional advisors would reasonably require for the purposes of making an informed assessment of:
 - the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - the rights and liabilities attaching to the ordinary shares of the Company.

An Appendix 3B with respect to the issue has been lodged with ASX.

For and on behalf of Covata Limited



Patrick Gowans

Joint Company Secretary