



31 October 2014

COVATA COMPLETES MERGER AND RESTRUCTURES BOARD

Covata Limited ("Covata" or "the Company"), formerly Prime Minerals Limited, advises that settlement under the merger transaction for the acquisition of Cocoon Data Holdings Limited [ACN 127 993 300] ("Cocoon") took place today.

Commenting on the settlement of the Prospectus Equity Offer and completion of all takeover conditions, CEO and Founder Trent Telford said: "We are eagerly awaiting the listing of the Covata business which is anticipated to occur on 6 November 2014."

"Covata is well capitalised following the strong take-up by new institutional and high net worth investors under the Equity Offer which raised the maximum subscription of \$15 million. This will allow us to pursue our commercialisation strategy including the acceleration of sales and marketing efforts to distribute the Covata Platform via global reseller partners and progressing negotiations with potential original equipment manufacturers.

"Covata's listing on ASX will also provide the company with a greater market profile and enhanced credibility to pursue its aggressive growth strategy. We are excited about the new phase of Covata's evolution to a publicly listed company and, most importantly, delivering on our objective for substantial growth in North America, Europe and Australia in 2015," added Mr Telford.

As provided for under the Bid Implementation Agreement ("BIA") announced to ASX on 30 June 2014 and the off market takeover bid for Cocoon:

1. The name of the Company has changed from "Prime Minerals Limited" to "Covata Limited" pursuant to the special resolution passed at the General Meeting of the Company held on 23 September 2014;
2. Messrs Michael Scivolo, Robert Collins and Sol Majteles, the former Board of Prime Minerals Limited, have resigned as Directors of the Company and Mr Norman Grafton has resigned as the Company Secretary;
3. Mr Charles (Chuck) Archer (Executive Chairman), Mr Trent Telford (Executive Director and Chief Executive Officer) and Mr Philip King (Non-Executive Director) have taken office as Directors pursuant to the resolutions for their election passed at the General Meeting;
4. Mr Phillip Dunkelberger and Mr Joseph Miller have been appointed as Non-Executive Directors;
5. Mr Nicholas (Nick) Chiarelli has been appointed as Company Secretary;
6. The Company has issued:



- 237,314,632 fully paid ordinary shares and 34,544,140 performance shares to Cocoon shareholders who accepted the takeover offer prior to 31 October 2014 (as takeover consideration);
- 75,000,000 fully paid ordinary shares to investors under the Prospectus Equity Offer to raise \$15,000,000 before costs;
- 13,650,000 fully paid ordinary shares to Cocoon convertible note holders whose convertible notes have converted directly into fully paid ordinary Covata shares (as provided for under the BIA);
- 10,000,000 fully paid ordinary shares to advisors (as provided for under the BIA);
- 34,722,656 options under the prospectus option offer.

An Appendix 3B will be released in respect of the above issues of shares and options, and will include details of the expiry dates and exercise prices of the options. The Company will also release details of the restriction of securities and other information including about the structure and holdings of its securities as part of satisfying conditions for reinstatement to trading.

The Company will change its registered office and principal place of business to Level 4, 156 Clarence Street, Sydney, NSW 2000 (Cocoon's existing Australian office).

The Company will progressively issue further ordinary shares and performance shares in response to acceptances of the takeover offer up to the close of the offer on 5 November 2014. The Company has also issued compulsory acquisition notices to Cocoon shareholders who have not accepted takeover offer by 31 October 2014, and will issue further ordinary shares and performance shares upon completion of the compulsory acquisition procedure.

It is anticipated that ASX will change the code under which the Company's ordinary shares trade from "PIM" to "COV". This will be subject to a formal confirming announcement by ASX, and the code should not be used before that confirmation.

The Company will make further announcements regarding the completion of the takeover and requirements for satisfaction of conditions for reinstatement to trading on ASX.

Remuneration details of the Executive Chairman and CEO

The Executive Chairman Mr Chuck Archer will receive a total base salary of US\$320,000 per annum (excluding superannuation and social security benefits). Mr Archer will also be eligible for short term cash incentives of up to 100% of the base salary, subject to Company performance and financial position and the achievement of key deliverables to be set out by the Directors. Mr Archer's employment contract may be terminated in writing by providing 30 days' notice.



The Chief Executive Officer, Trent Telford, will receive a total base salary of US\$320,000 per annum (excluding superannuation and social security benefits). Mr Telford will be eligible for short term cash incentives of up to 100% of the base salary, subject to Company performance and financial position, and the achievement of key deliverables to be set out by the Directors. Mr Telford's employment contract applies until August 2016 but may be terminated in writing by providing 3 months' notice.

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About Covata

Covata enables organizations to conduct business with confidence in an untrusted world. Covata delivers data-centric security solutions that protect data wherever it may travel – inside the enterprise network, beyond the domain, on mobile devices and in the cloud. Businesses, vendor partners and service providers utilize the Covata Platform to incorporate data-level security into applications, products, and services, enabling them to maintain constant control over its security. With Covata, you Own Your Data and can trust that it is protected and secure, however it may be shared and used by customers, partners and other parties.

For further information please visit www.covata.com