



WHITEHAWK

# December 2023

# Quarterly Activities Report

WHITEHAWK LIMITED

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**Quarterly Activities Report for the Period Ended:**  
**31 December 2023**

# HIGHLIGHTS

**WHITEHAWK LIMITED (ASX: WHK OR “THE COMPANY”), THE FIRST GLOBAL ONLINE CYBER SECURITY EXCHANGE ENABLING BUSINESSES AND ORGANIZATIONS OF ALL SIZES TO TAKE SMART ACTION AGAINST CYBERCRIME VIA RISK, MATURITY, COMPLIANCE AND THREAT, SOFTWARE AS A SERVICE ANNUAL SUBSCRIPTIONS AND VIRTUAL CONSULTS, IS PLEASED TO PROVIDE AN UPDATE ON ITS PROGRESS FOR THE FOURTH QUARTER 2023.**

- Invoiced year to date is USD \$1.7M, invoicing USD \$188K in the fourth quarter.
- USD \$292K in receivables as of 31 December 2023.
- Contract Order for USD \$1.2M on existing contract with Global Social Media Company started in December 2023 focused on Third-Party Risk Management (**TPRM**) services, **to include:**
  - Third-Party Risk Platform Operations, Configuration, and Tuning Services
  - Cyber Architecture and SME Services
  - Cyber Risk Data Integration Services
- Award expected no later than 1<sup>st</sup> qtr. 2024 for U.S. Department of Homeland Security, Cybersecurity and Critical Infrastructure Agency (CISA) ACTS 5YR Contract which Peraton responded to as Prime Contractor for all DHS cybersecurity capabilities. Contract scope is USD \$2.4B per YR with teaming agreement for WhiteHawk, as a sub-contractor for Cyber Technology Insertion and Cyber Supply Chain Risk Management (CSCRM) capabilities.
- Critical Infrastructure Cyber Risk Assessment (CIRA) Program contract for USD \$1.9M, for State and Local client via Peraton delayed in procurement and State Legislature reviews.
- New Cyber Risk Program Contract Phase 1 with U.S. subsidiary of Cailabs being implemented.
- Awaiting final award of Peraton’s bid for Veterans Affairs Supply Chain Risk Management (SCRM) with WhiteHawk as a sub-contractor for SCRM services.
- Proof of Values (POV’s) Completed and current Status:
  - RSM developing Cyber Risk Assessment Client Use Cases
  - Space ISAC out briefed POV results to their Supply Chain Risk Management Advisory Board. Now conducting weekly meetings to scope a Cyber Risk Radar SCRM Program and obtain Member and Grant funding.
  - Ontario Energy Board (OEB) reviewing integration of automated cyber risk assessments to complement current Self-Assessment Program.
  - HHI Services asked to review Cyber Risk Program options for February 2024.

- PMY connection to key Sporting Event client to conduct a Vendor Cyber Risk Baseline Assessment and potentially support two upcoming international Sports Events.
- Collaborating with Peraton on Upcoming 2024 partnership opportunities at U.S. Coast Guard, Department of State, and U.S. Space Entity while working additional State and Local Critical Infrastructure Cyber Risk Assessment opportunities.
- Two U.S. Cities have submitted Cyber Risk Programs for funding and procurement, contracts expected in 1st qtr. 2024.

## UPDATES FOR QUARTER

### **Prime Cyber Risk Radar Contract with a Global Social Media Platform Company**

#### Contract Summary

- Contract renewed in December 2023 for Year 3. Base Year 1. Contract has three (2) additional option years remaining.
- WhiteHawk providing an annual C-SCRM subscription for a portfolio of 300 vendors/suppliers.
- Subscription includes both Continuous Monitoring and One-time reports for Cyber and Business Risks – all data and workflows centralized through an integrated and interactive Vendor Risk Management SaaS Dashboard.

#### Progress for the Quarter

- Delivering on cyber and business risk automated reports and portfolio analysis.
- Continued to support technical collaboration sessions to identify and vet additional opportunities for increased automation within Client's internal workflows.
- Providing Compliance focused assessments against their internal security controls for critical vendors.
- Vetting of additional data providers and compliance-based capabilities for potential augmentation to subscription
- Deep-dive analysis of 2024 requirements for TPRM services to support the entire Enterprise. Negotiated scope and exercised contract to initiate additional order to start in December 2023

## **Prime Cyber Risk Radar Contract being executed in support of U.S. Federal Government Department Chief Information Security Officer (CISO)**

### Contract Summary

- Base year commenced in August 2019. Contract has base year and four option years.
- 4<sup>th</sup> Year Annual Subscription renewal in July 2023 (Option Year 3).
- WhiteHawk providing online Software as a Service (SaaS), an annual recurring C-SCRM subscription, with training and technical reach-back.
- Automated Business Risk Reports provided on-demand, and Cyber Risk Scorecards being provided quarterly via an integrated and interactive Vendor Risk Management SaaS Dashboard.

### Progress for the Quarter

- Performed ongoing Business and Cyber Risk Continuous Monitoring, Alerting and Tracking.
- Continued support to contractor team within client's organization, including demonstrations and training.
- Providing expertise and support to development of automated assessments to support increased volume of internal vendor vetting requests. Including not only support to leveraging WHK's Cyber Risk Radar tools and outputs, but also to internal workflows and processing.
- Tailored Integrated Vendor Risk Management Dashboard to support Vendor Engagement and Tracking.
- Performing additional vendor assessments to add onto to contract for enhancing client's cyber and risk datasets. ROMs provides and demonstration of platforms being scheduled for first quarter 2024 for additional capabilities.

## **Cyber Risk Program contract with major U.S. National Manufacturer via Global Consulting Partner**

### Contract Summary

- Annual contract renewed on March 31, 2023. Currently executing on 4<sup>th</sup> year of subscription.
- Providing independent expert risk assessment subscription for Manufacturer's seven Business Groups. Includes: Cyber Risk Continuous Monitoring, Deep Dive Analysis and Prioritization leveraging multiple datasets; Quarterly Executive Level Scorecards and Reporting; and mapping to prioritized risk mitigation approaches and solution options.
- Client added deep assessment tasks which are underway across the CISO Team.

### Progress for the Quarter

- Supported both Consulting Partner and Manufacture end client on deep dives of analytic results and risk mitigation recommendations.
- Continued technical and thought leadership conversations as end client is finalizing Business Unit divestitures and alignments for 2024 and beyond.
- Continued assessment of impacts and opportunities as end client is executing on the divestiture and alignment opportunities.
- Conversations initiated with prime partner for scoping of renewal of contract at end of first quarter 2024.

### **Cyber and Business Risk Reports for Leolabs.space**

#### Contract Summary

- Providing on-demand Cyber Risk Scorecards and Business Risk Reports.
- In the third quarter of 2023, delivered and reviewed three Cyber Risk Scorecards and three Business Risk Reports.

### **Dun and Bradstreet (D&B) Partnership with Embedded Whitehawk Cyber Risk Scorecards within the D&B Investigate Platform**

#### Contract Summary

- Base year commenced on 01 February 2022. Contract has a base year with four option years.
- WhiteHawk providing an integrated, white-labeled, and fully automated version of a D&B tailored Cyber Compliance report via APIs.
- Current subscription is for 2,500 Cyber Compliance reports to be allocated to D&B Investigate end customers in batches to support their monitoring of supply chain vendors/suppliers.

### Progress for the Quarter

- Continued to support joint sales and communications campaigns for awareness for future potential requirements and integration opportunities.
- Continued monitoring and reporting in support of portfolio trends.
- Enhanced APIs to include processing of continuous monitoring licenses for future sales opportunities.
- Conversations initiated for update to current Master Services Agreement to service their Federal Systems Integrator Clients.

## **Cailabs new Cyber Risk Program to be Kicked Off JAN 24**

### **WHITEHAWK.COM Platform Enhancements Update**

- Continued enhancements to support Subscription Models with consulting company partners to provide ability to resell WhiteHawk services and products.
- Performed a data mining sprint to collect cyber risk monitoring data for over 3,000 companies globally. This data will be leveraged to assess additional analytic capabilities as well as datasets to support sales conversations with consulting partners.
- Current roadmap is focusing on normalizing and standardizing datasets across multiple providers to reduce development and integration customization and improve ability to automate quickly as new datasets and providers are identified.

# CASHFLOWS

- Global Social Media Platform Company new contract for US\$1.2M will be invoiced monthly. Payment for the invoice issued in December of US\$120K was received in in January 2024.
- WhiteHawk continues to manage expenses within planned budget, expending US\$255K on average per month in total operating expenses over the last two quarters of 2023 prior to recent cost reductions
- Payments made to related parties include payments made for the services provided by Key Management Personnel.

# SALES YEAR-IN-REVIEW & OUTLOOK

## 2023 Award Report

Account Name	Date	Stage
Global Social Media Company TPRM	12/2023	WON
Federal CISO Renewal OY 3 - Phase 1	08/2023	WON
Georgetown University – Cyber Risk Program	04/2023	WON
Consulting Firms – Cyber Risk Assessments	04/2023	WON
Major Manufacturer Cyber Risk Program Renewal	04/2023	WON
Peraton Cyber Risk IRAD Phase 2	02/2023	WON
Peraton Federal Bids – DHS & VA submitted JUN23 for award DEC24	12/2023	Not Yet Awarded
State & Local Critical Infrastructure Cyber Risk Radar	10/2023	Not Yet Awarded
Federal Reserve Board Cyber Risk Monitoring	02/2023	Not Awarded
Hillenbrand – Cyber Intelligence Capabilities by invitation RFP	04/2023	Not Awarded

## 2024 Business Objectives

- Execute on near-term Federal, State & Local wins with Peraton. Build upon/expand together on new 2024 opportunities based upon proven combined capabilities. Team with Peraton Labs on advanced Analytics.
- Fully leverage 2023 Critical Infrastructure Risk Assessment Proofs of Value to engage at the State and Local level in the U.S. and AU – demonstrating impact, scalability and cost-effectiveness.
- Grow current Consulting Firm formal and informal business partnerships via proven, automated Cyber Risk Product Lines for their Enterprise, Supply Chain, Government & Critical Infrastructure Clients.
- Continue to retain, advance & grow current Cyber Risk Radar & Cyber Risk Program contracts across current pipelines as baseline recurring revenue & product improvement.



## WhiteHawk Cybersecurity Compliance to Automated Resilience Solutions:

- **WhiteHawk Cyber Risk Radar:** Continuous monitoring, prioritization, and near real-time mitigation of an enterprises' supply chain's cyber risks over time, including the identification and prioritization of a risk mitigation strategy.
- **WhiteHawk Cyber Risk Program:** An outside-in second set of expert eyes monitoring, identifying, prioritizing, validating, and mitigating cyber risks to a company or organizations revenue and reputation.
- **WhiteHawk Cyber Risk Scorecard:** An executive level view of cyber compliance, maturity, and risk mitigation action plan, based on open data and AI based analytics
- **WhiteHawk Cyber Risk PaaS:** An end-to-end Cyber Risk identification, prioritization and mitigation ecosystem that can effectively and affordably service your Business Clients or Critical Infrastructure Entities continuously and seamlessly.
- **WhiteHawk Cyber Risk Journey:** Our Cyber Analysts work with clients or their vendors virtually to match solution options to meet business objectives and priorities. From there we develop a maturity plan and adjust over time as your priorities change.
- **WhiteHawk Innovative Partners:** Keep up with the breadth of new innovative cyber solutions that are tailored to address your key risks and your Business Needs.

# DISCLOSURE STATEMENT

The Quarterly Activities Report is given in summary form and does not purport to be complete. The Quarterly Activities Report including financial information, should not be considered as a financial projection, advice, or a recommendation to any particular or potential investors in relation to subscribing for securities in WhiteHawk. Before acting on any information readers should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, readers should seek independent financial advice. All securities involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments and, in international transactions, currency risk. The Quarterly Activities Report may include statements regarding the Company's intent, belief, or current expectations with respect to our businesses and operations, market conditions, revenues, market penetration, and results of operations. Readers are cautioned not to place undue reliance on these statements. WhiteHawk does not undertake any obligation to publicly release the result of any revisions to these statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. While due care has been used in the preparation of the Quarterly Activities Report, actual results may vary in a materially positive or negative manner and are subject to uncertainty and contingencies outside WhiteHawk's control.



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***The Appendix 4C Quarterly Cash Flow Report for the Period Ended 31 December 2023 follows.***

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

WhiteHawk Limited

**ABN**

97 620 459 823

**Quarter ended ("current quarter")**

31 December 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$US'000</b>	<b>Year to date (12 months) \$US'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	92	892
1.2 Payments for		
(a) research and development	(227)	(835)
(b) product manufacturing and operating costs	(535)	(966)
(c) advertising and marketing	(14)	(86)
(d) leased assets	(15)	(60)
(e) staff costs	(323)	(1,372)
(f) administration and corporate costs	(138)	(622)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	3
1.5 Interest and other costs of finance paid	-	(8)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,160)</b>	<b>(3,054)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	895
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(81)
3.5	Proceeds from borrowings	170	170
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>170</b>	<b>984</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,085	2,171
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,160)	(3,054)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Appendix 4C  
Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$US'000</b>	<b>Year to date (12 months) \$US'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	170	984
4.5	Effect of movement in exchange rates on cash held	8	2
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>103</b>	<b>103</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$US'000</b>	<b>Previous quarter \$US'000</b>
5.1	Bank balances	101	146
5.2	Call deposits	2	939
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>103</b>	<b>1,085</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$US'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	168
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. <b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$US'000</b>	<b>Amount drawn at quarter end \$US'000</b>
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	50	50
7.3 Other (please specify)	684	-
7.4 <b>Total financing facilities</b>	734	50
7.5 <b>Unused financing facilities available at quarter end</b>		684
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p><u>Credit standby arrangements</u> Credit standby arrangement includes unsecured Line of Credit provided by PNC Bank, with the following terms: Interest rate : 12.1%, and maturity date of 31/12/2024,</p> <p><u>Other available facility</u> As announced on 31 October 2022, under the executed agreement with Lind Global Fund II, LP ("investor"), the investor agreed to fund additional A\$1,000,000 (US\$684,000) on pro-rata pricing and terms of initial A\$2m funding, upon mutual agreement between the investor and the Company.</p>		

8. <b>Estimated cash available for future operating activities</b>	<b>\$US'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,160)
8.2 Cash and cash equivalents at quarter end (item 4.6)	103
8.3 Unused finance facilities available at quarter end (item 7.5)	684
8.4 Total available funding (item 8.2 + item 8.3)	787
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	0.68
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: The entity expects reduced net cash outflows for the next quarter, due to increased revenue receipts from contracted customers and overhead reductions.	

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes, because of pending new contracts, the company is currently reviewing strategies of capital raising, including, but not limited to

- (1) Short term bank and US Government Agency financing to provide immediate cash funding requirement until completion of capital raise.
- (2) The Company is seeking shareholder approval at the General Meeting of the Company on 20 February 2024 to raise up to A\$2,500,000 for future working capital if needed;
- (3) As mentioned above section 7.6, the Company has access to additional A\$1m from Lind Partners, which will be considered if and when appropriate.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the entity expects to be able to continue its operations and to meet its business objectives based on steps taken by entity and as explained above section 8.6.2

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2024

Authorised by: Terry Roberts  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.