WHITEHAWK

Appendix 4E
Cover Letter

WHITEHAWK LIMITED

Appendix 4E Preliminary Final Report for the Period Ended:

December 31, 2023

WHITEHAWK

HIGHLIGHTS

WHITEHAWK LIMITED (ASX: WHK OR "THE COMPANY"), THE FIRST GLOBAL ONLINE, AI BASED CYBER SECURITY EXCHANGE ENABLING BUSINESSES OF ALL SIZES TO TAKE SMART ACTION AGAINST CYBERCRIME, IS PLEASED TO PROVIDE A PRELIMINARY FINAL REPORT FOR THE PERIOD ENDED 31 DECEMBER 2023.

- Recognized US$1.8M revenue in 2023.
- Revenue reported does not include US$421K unearned revenue already invoiced in 2023 and only one months' revenue of US$1.2M contract signed in December 2023.
- WhiteHawk ends 2023 with a cash balance of US$103K.
- US$2.8M loss after income tax includes non-cash expenditures relating to depreciation and amortization expense of US$53K, share based payment expenditure of US$250K and provision for doubtful debt of US$171K.
- 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
- 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 solutions.
- National Center, Critical Infrastructure focused Cyber Risk Radar quote for $1M, pending procurement decision in March 2024.
- New SaaS Solution sales and distribution channel being put in place for Cyber Risk Programs and Radars at the U.S. State and Local level nation-wide.
- WhiteHawk registered as Cyber Risk Assessment Partner with global consulting firm.
- PMY connection with major sporting event sponsor for Vendor Cyber Risk Monitoring and Assessments, under final review.
- Notified by two U.S. Cities that Cyber Risk Programs are in final procurement processing.
- Joint go to market campaign with Perth based Partner hyprfire being executed in Western Australia.
- Scoping and responding to DHS CISA Cyber Threat Intelligence quick turn Other Transaction Authority (OTA) for proposal submission on March 19, 2024 and to be awarded in April 2024.

- Sub-contracted under Peraton for Supply Chain Risk Management Program for GSA Federal Travel & Expense 15YR Contract Peraton Prime, asked for Cyber Risk Radar quote for Bid submitted on 20 February, 2024, Award expected 4QTR 2024.
- Supporting Dun and Bradstreet on GSA SCRIPTS BPA (Supply Chain Illumination Program, Tools & Services), sponsored by the Office of the Secretary of Defense. RFP set to be released by April 2024, with a quick 2 week turn, will be awarded to 3 Large Federal Contractors and up to 5 small businesses for a total of $99M a year for 10 years.
- 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. Not expected to be released until May/June timeframe 2024.
- U.S. Department of Homeland Security, Cybersecurity and Critical Infrastructure Agency (CISA) ACTS 5YR Contract which Peraton responded to as Prime with WHK as sub-contractor was lost. Once public announcement of winner is made, WhiteHawk will engage to be a Cyber Risk SaaS Partner.

OUTLOOK

RENEWED FOCUS ON U.S. FEDERAL AND STATE AND LOCAL CHANNELS

Business Premise: As an automated and cost-effective alternative to "Traditional Cybersecurity" complex technology stack, leverage publicly available cyber risk and threat big data and AI/ML based risk analytics, to provide a comprehensive and automated "Hacker View, Cyber Audit" of any organization or portfolio of companies - within 48 to 72 hours.

- **Federal or State & Local Enterprise-Wide Resilience**
  - **Cyber Risk Program: https://www.whitehawk.com/cyber-risk-program**
- **Federal or State & Local Risk Mitigation Cyber Risk PaaS**
  - **https://www.whitehawk.com/cyber-risk-paas**
- **Federal Adversary Vulnerability Baseline API for Targeting**
  - **https://www.whitehawk.com/cyber-risk-scorecard**
- **Federal or State & Local Supply Chain Risk Prioritization & Management**
  - **Cyber Risk Radar: https://www.whitehawk.com/cyber-risk-radar**
  - **D&B Investigate: https://www.dnb.com/products/public-sector/investigate.html**

WHITEHAWK

In order to enable sales across the U.S. Government, WhiteHawk has put in place a new Distribution Channel and Sales Partnership with Carahsoft Technology Corp, a trusted U.S. Government IT Solutions Provider with revenues of $11B USD a year. This partnership provides WhiteHawk with:

- The ability to work with a Nation-wide Team of IT/Cyber Sales and Accounts Representatives.
- The ability to utilize the breadth of Carahsoft Federal, State and Local contract vehicles for clients to procure our automated SaaS cyber security products seamlessly and quickly.
- The ability to include our Risk and Expertise Products and Services as part of Carahsoft's National Association of State Procurement Officials (NASPO) vehicle. NASPO offers procurement vehicles for all states and municipalities – enabling our products to be acquired without direct engagement while also reducing potentially lengthy acquisition processes and approvals.
- The ability to jointly respond to US Federal and State Government and US Local Municipality Requests for Proposals (RFP's).

Carahsoft Technology Corp is a trusted U.S. and Canadian Government IT Solutions Provider, supporting an ecosystem of manufacturers, value-added resellers, system integrators, and consulting partners committed to helping government agencies select and implement the best solution at the best value. The company's dedicated Solutions Divisions proactively market, sell and deliver Adobe, Atlassian, AWS, Broadcom, CrowdStrike, Dell Technologies, F5, Forescout, Google Cloud, HPE, Micro Focus, Microsoft, Nutanix, NVIDIA, Okta, Oracle, Palo Alto Networks, Red Hat, SAP, Salesforce, ServiceNow, Splunk, Tableau, Trellix, VMware, Zscaler, Zoom. Carahsoft is listed by Forbes as #45 of America's Largest Private Companies.

For more information, please visit www.whitehawk.com or please contact:

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WHITEHAWK

The Appendix 4E Preliminary Final Report for the Period Ended December 31, 2023 follows.

Disclosure Statement

The Additional Information to Appendix 4E Preliminary Final Report ("the Additional Information") is given in summary form and does not purport to be complete. The Additional Information 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 Additional Information 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 Additional Information, actual results may vary in a materially positive or negative manner and are subject to uncertainty and contingencies outside WhiteHawk's control.

Rule 4.3A

Appendix 4E

Preliminary final report

Name of entity:

WhiteHawk Limited

ABN or equivalent company reference:

97 620 459 823

1. Reporting period

Reporting period:	Previous corresponding period:
Year ended 31 December 2023	Year ended 31 December 2022

2. Results for announcement to the market

					Current Period 2023 US$
2.1	Revenue from ordinary activities	Down	**44.0%**	to	**1,800,081**
2.2	Loss from ordinary activities for the period after tax attributable to members	Up	**85.0%**	to	**2,844,279**
2.3	Net loss for the period attributable to members	Up	**85.0%**	to	**2,844,279**

2.4 Dividends	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil

2.5 Record date for determining entitlements to the dividends	N/A

2.6 Brief explanation of any of the figures reported above to enable the figures to be understood:

Cashflows

- The Company ends 2023 with a cash balance of US$103K and the closing cash balance does not include US$120K which was received in January 2024, in connection with Global Social Media Platform Company new contract announced to ASX on 11 December 2023. The new contract with Global Social Media Platform Company for US$1.2M will be invoiced and cash collected monthly.

- During the 2023 year, as announced on 18 August 2023, the Entitlement Offer received strong support from both existing shareholders and new investors and was oversubscribed, raising approximately A$1.37m (before costs).

Profit & Loss

- Revenue in 2023 declined to US$1.8M from US$3.2M in 2022 due to a $1.2M contract award early December 2023 that was structured to be paid monthly starting in December 2023 rather than the Company's usual Software as a Service (SaaS) annual subscription business model of one upfront payment. Additionally, there have been a number of delays in U.S. Federal Government contract awards ranging from three to six months during 2023 with significant potential high value contracts for which WHK has quoted, now awaiting award in 2024.

- Revenue reported does not include US$421K unearned revenue already invoiced in 2023.

- Total loss of US$2.8M after income tax includes non-cash expenditures including depreciation and amortisation expense of US$53K, share based payment expenditures of US$250K, provision for doubtful debt expense of US$171K and non-cash financing costs recognised for accounting purposes of US$234K.

- WhiteHawk continues to manage expenses within planned budget, expending US$3.9M in total operating expenses over US$4.3M for same period last year.

Refer to cover letter to Appendix 4E Preliminary Final Report, for other comments.

3. Consolidated Statement of Comprehensive Income

	Current Period 31 Dec 2023 US$	Previous Period 31 Dec 2022 US$
Revenues from continuing operations	**1,800,081**	3,215,299
Cost of goods sold	**(837,287)**	(1,467,847)
Gross profit	**962,794**	1,747,452
Other income	**3,373**	2,549
Professional expenses	**(347,759)**	(297,320)
Research and development expense	**(850,335)**	(901,754)
Employee benefits expense	**(1,462,412)**	(1,369,474)
Share based payments expense	**(250,423)**	(114,496)
IT expenditure	**(10,749)**	(18,733)
Conference and travel expenditure	**(63,537)**	(15,161)
Marketing expenditure	**(143,526)**	(71,452)
Office and occupancy expenses	**(24,311)**	(18,636)
Provision for doubtful debt	**(171,094)**	(171,094)
Depreciation and amortisation	**(52,621)**	(67,649)
Finance costs	**(264,759)**	(56,460)
General and administration expenses	**(168,920)**	(185,512)
Loss before income tax	**(2,844,279)**	(1,537,740)
Income tax (expense) / benefit	**-**	-
Loss after income tax expense from continuing operations	**(2,844,279)**	(1,537,740)
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations, net of tax	**(18,313)**	(126,860)
Total other comprehensive income	**(18,313)**	(126,860)
Total comprehensive loss for the year	**(2,862,592)**	(1,664,600)
Attributable to:		
Members of the Parent Company	**(2,862,592)**	(1,664,600)
Basic loss per share	**(US$0.01)**	(US$0.01)
Diluted loss per share	**(US$0.01)**	(US$0.01)

4. Consolidated Statement of Financial Position

	Current Period 31 Dec 2023 US$	Previous Period 31 Dec 2022 US$
Current Assets		
Cash and cash equivalents	**103,030**	2,171,183
Trade and other receivables	**283,988**	334,913
Other current assets	**257,464**	251,639
Total Current Assets	**644,482**	2,757,735
Non-Current Assets		
Property, plant and equipment	**133,120**	191,166
Total Non-Current Assets	**133,120**	191,166
Total Assets	**777,602**	2,948,901
Current Liabilities		
Trade and other payables	**434,619**	339,171
Financial liabilities	**541,067**	1,009,324
Contract liabilities	**421,069**	1,260,754
Lease liabilities	**75,586**	68,667
Total Current Liabilities	**1,472,341**	2,677,916
Non-Current Liabilities		
Lease liabilities	**111,252**	167,959
Total Non-Current Liabilities	**111,252**	167,959
Total Liabilities	**1,583,593**	2,845,875
Net (Liabilities)/Assets	**(805,991)**	103,026
Equity		
Issued capital	**15,298,447**	13,475,921
Reserves	**1,856,794**	1,744,058
Accumulated losses	**(17,961,232)**	(15,116,953)
(Deficiency in)/Total Equity	**(805,991)**	103,026

5. Consolidated Statement of Cash Flows

	Current Period 31 December 2023 US$	Previous Period 31 December 2022 US$
Cash flows from operating activities		
Receipts from customers	**892,092**	3,938,599
Payments to suppliers and employees	**(3,940,861)**	(4,279,133)
Interest received	**3,370**	2,540
Interest paid	**(8,488)**	(533)
Net cash used in operating activities	**(3,053,887)**	(338,527)
Cash flows from investing activities		
Payments for property, plant and equipment	**-**	(7,449)
Net cash used in investing activities	**-**	(7,449)
Cash flows from financing activities		
Proceeds from shares issues and applications	**895,161**	1,258,690
Proceeds from borrowings	**170,000**	-
Transaction costs related to loans and borrowings	**(81,276)**	(56,030)
Net cash provided by financing activities	**983,885**	1,202,660
Net increase in cash held	**(2,070,002)**	856,684
Cash and cash equivalents at the beginning of the year	**2,171,183**	1,350,130
Effects of exchange rate changes on cash	**1,849**	(35,631)
Cash and cash equivalents at the end of the year	**103,030**	2,171,183

6. Consolidated Statement of Changes in Equity

	Issued capital US$	Reserves US$	Accumulated losses US$	Total US$
Balance at 1 January 2023	**13,475,921**	**1,744,058**	**(15,116,953)**	**103,026**
Loss for the year	-	-	(2,844,279)	(2,844,279)
Other comprehensive income	-	(18,313)	-	(18,313)
Total comprehensive loss for the year	-	(18,313)	(2,844,279)	(2,862,592)
Transactions with owners in their capacity as owners:				
Issued capital net of issued costs	1,703,152	-	-	1,703,152
Transfer within equity on conversion of performance rights	119,374	(119,374)	-	-
Performance rights and options expense	-	250,423	-	250,423
Balance at 31 December 2023	**15,298,447**	**1,856,794**	**(17,961,232)**	**(805,991)**
Balance at 1 January 2022	**13,475,921**	**1,468,389**	**(13,579,213)**	**1,365,097**
Loss for the year	-	-	(1,537,740)	(1,537,740)
Other comprehensive income	-	(126,860)	-	(126,860)
Total comprehensive loss for the year	-	(126,860)	(1,537,740)	(1,664,600)
Transactions with owners in their capacity as owners:				
Issued capital net of issued costs		-	-	
Performance rights and options expense	-	402,529	-	402,529
Balance at 31 December 2022	**13,475,921**	**1,744,058**	**(15,116,953)**	**103,026**

7. Dividends (in the case of a trust, distributions)

Date dividend is payable	N/A
+Record date to determine entitlements to the dividend	N/A
If it is a final dividend, has it been declared?	N/A

Amount per security

	Amount per security	Franked amount per security at 30% tax (see note 4)	Amount per security of foreign source dividend
Final dividend: Current year	NIL	N/A	N/A
Interim dividend: Current year	NIL	N/A	N/A

Total dividend (distribution) per security (interim *plus* final)

	Current period	Previous Period
Ordinary securities	**N/A**	N/A
Preference securities	**N/A**	N/A

8. Dividend or distribution plans in operation

N/A

The last date(s) for receipt of election notices for the +dividend or distribution plans	N/A

9. Consolidated accumulated losses

	Current Period 2023 US$	**Previous Period 2022 US$**
Accumulated losses at the beginning of the financial period	**(15,116,953)**	**(13,579,213)**
Net loss attributable to members	**(2,844,279)**	**(1,537,740)**
Accumulated losses at end of financial period	**(17,961,232)**	**(15,116,953)**

10. NTA backing

	Current Period 2023 US$	**Previous Period 2022 U$**
Net tangible asset backing (deficiency) per ordinary share	**(0.003)**	**0.003**

11. Significant information

Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position:

Refer to cover letter to Appendix 4E Preliminary Final Report and Section 13.3 to 13.6 of this document.

12. Foreign entities set of accounting standards used in compiling the report (IAS)

The Company is not a foreign entity. Australian Accounting Standards have been applied consistently across all entities in the Group.

13. Commentary on the results for the period

13.1 Earnings per security (EPS)

	Current Period 2023	**Previous Period 2022**
Basic Loss per share	**(US$0.01)**	(US$0.01)

13.2 Returns to shareholders (Including distributions and buy backs)

	Current Period 2023 US$	**Previous Period 2022 US$**
Ordinary securities	-	-
Preference securities	-	-
Other equity instruments	-	-
Total	**-**	**-**

The dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices for the dividend or distribution plans

N/A

Any other disclosures in relation to dividends (distributions).

N/A

13.3 Significant features of operating performance

Refer to Section 2.6 for commentary on significant features of operating performance.

13.4 Segment Information

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

The Group operates in the retail, consulting and business intelligence segments being a business to business (B2B) e-commerce cybersecurity exchange. WhiteHawk CEC Inc is a Delaware, USA corporation with operations based in Alexandria VA, USA and offices in Alexandria VA, USA and Perth, Australia.

This operating segment is monitored by the Group's chief operating decision makers and strategic decisions are made on the basis of adjusted segment operating results. The chief operating decision makers of the Group are the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

The following tables present certain asset and liability information regarding geographical segments for the period ended 31 December 2023 and 31 December 2022 and this is the format of the information provided to the chief operating decision maker.

	Australia		**USA**		**Total**	
	December 2023	**December 2022**	**December 2023**	**December 2022**	**December 2023**	**December 2022**
	US$	**US$**	**US$**	**US$**	**US$**	**US$**
External sales	-	-	1,800,081	3,215,299	1,800,081	3,215,299
Total segment revenue	**-**	**-**	**1,800,081**	**3,215,299**	**1,800,081**	**3,215,299**
Segment operating result	(858,606)	(612,361)	(1,668,293)	(801,270)	(2,526,899)	(1,413,631)
EBITDA	**(858,606)**	**(612,361)**	**(1,668,293)**	**(801,270)**	**(2,526,899)**	**(1,413,631)**
Depreciation and amortisation	-	-	(52,621)	(67,649)	(52,621)	(67,649)
Finance costs	(233,521)	(810)	(31,238)	(55,650)	(264,759)	(56,460)
Loss before income tax expense	**(1,092,127)**	**(613,171)**	**(1,752,152)**	**(924,569)**	**(2,844,279)**	**(1,537,740)**
Income tax expense	-	-	-	-	-	-
Loss after income tax expense	**(1,092,127)**	**(613,171)**	**(1,752,152)**	**(924,569)**	**(2,844,279)**	**(1,537,740)**
Segment assets	**158,667**	**304,269**	**618,935**	**2,644,632**	**777,602**	2,948,901
Segment liabilities	**701,254**	**1,134,601**	**882,339**	**1,711,274**	**1,583,593**	2,845,875

13.5 Report on trends in performance

Refer to cover letter to Appendix 4E Preliminary Final Report and Section 2.6 for report on trend in performance.

13.6 Report any factors which have affected the results during the reporting period or which are likely to affect results in the future, including those where the effect could not be quantified.

Refer to cover letter to Appendix 4E Preliminary Final Report and Section 2.6 for any factors which have affected the results during the reporting period and/or which are likely to affect in the future.

Any other information required to be disclosed to enable the reader to compare the information presented with equivalent information for previous periods. This must include information needed by an investor to make an informed assessment of the entity's activities and results.

N/A

14. Compliance statement

This report is based on accounts to which one of the following applies.
(Tick one)

	The accounts have been audited.	The accounts have been subject to review.
✓	The accounts are in the process of being audited or subject to review.	The accounts have not yet been audited or reviewed.

15. If the accounts have not yet been audited and are likely to contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph:

The report is based upon the accounts which are in the process of being audited. The independent audit report may be subject to going concern emphasis of matter paragraph.

16. If the accounts have been audited and contain an independent audit report that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph:

The report is based upon the accounts which are in the process of being audited. The independent audit report may be subject to going concern emphasis of matter paragraph.

Sign here: ..... Date: 29 February 2024

Print name: Terry Roberts
Chief Executive Officer and Executive Chair