



WHITEHAWK®

Quarterly Activities Report

September 2024

WhiteHawk Limited (ASX:WHK)

Quarterly Activities Report for the Period Ended:
30 September 2024

HIGHLIGHTS

WHITEHAWK LIMITED (ASX: WHK OR “WHITEHAWK” 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 THIRD QUARTER 2024.

- Invoiced year to date is US\$1.8M; invoicing US\$1.2M in the third quarter.
- US\$1.76M in receivables as of 30 September 2024.
- New Cyber R&D Contract Phase 1 awarded by Norwich University Applied Research Institute (“NUARI”) Phase 2 to be scoped and implemented in January 2025.
- Contracted Pilot for Cyber Risk Analyst Platform as a Service, awarded through University of South Florida’s 502 Project, focused on growing cyber training and education capacity nationally.
- Began contract review with Global Social Media Company for renewal in December 2024 of current contract, to include additional Cyber Intelligence and tailored development requirements. Scoping of contract renewal US\$1.4M.
- New Global Security Firm Client with two large contracts seeking WhiteHawk Risk Data Subscriptions for 2024/2025. Scoping underway.
- Cyber Risk Program contracted with ASX 100 Company in July 2024, reviewing additional Cyber Intelligence features for inclusion, potentially by the end of 2024. New Cyber Risk Radar scoping, features and potential implementation under review.
- Cyber Risk Radar 60-Day Paid Pilot completed on a major U.S. City, shaping an upcoming open RFP to be released in 2024 and awarded in 2025.
- New Cyber Risk and Intelligence support to Global Security Firm in support of 3 current Clients, scoped and in process of being contracted.
- Knexus, Babel St, Dun & Bradstreet & WhiteHawk partnered on U.S. Federal Government General Services Administration (“GSA”) SCRIPTS BPA Contract proposal submitted 16 September 2024 and awaiting down select of 3 Large Companies & up to 5 Small Businesses. Selected companies can respond to multiple Task Orders totaling US\$99M a year for 10 years.
- Hathaway Global Strategies Client requested Cyber Risk Program and Cyber Risk Radar scoping for review by executive team review in December 2024.
- New Cyber Risk Radar being scoped for a large U.S. University.

- Cyber Intelligence Analytics and Reporting being reviewed to be added to the current Cyber Risk Radar Contract with Global Social Media Company.
- Sub-contracted under Peraton for Supply Chain Risk Management Program for GSA U.S. Federal Government Travel & Expense 15 years Contract Peraton Prime. Award expected to occur by the end of 2024.
- Veterans Affairs Supply Chain Risk Management (“SCRM”) contract award process was cancelled in September, awaiting news on potential future contract awards via Peraton as Prime Contractor.

UPDATES FOR THE QUARTER

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

Contract Summary

- Contract renewed for Third Party Risk Management Services for Risk Monitoring, Cyber and Architecture SME services, and Platform integration services.

Progress for the Quarter

- Onboarded over 3,000+ third parties onto the monitoring platform.
- Creating client-focused reports for high risk third parties.
- Initiated development of integration services between client systems and monitoring platform.
- Deep dive on additional cyber threat datasets on high-risk vendors being scoped.

Cyber Risk Program contract with ASX 100 Company

Contract Summary

- Phase 1 commenced in August 2024 conducting Cyber Risk Assessments and Continuous Monitoring for three subsidiaries.
- Scope of contract for Phase 1 includes baseline and quarterly assessments and expert analysis of vulnerabilities, cybersecurity practices, and current shortfalls in existing technology stack.
- Provide individual entity and portfolio reports detailing the baseline vulnerability assessment of current cybersecurity gaps and potential best practices/policies that can support improved resilience of critical functions.

Progress for the Quarter

- Delivered on baseline analysis and associated assessment reports.
- Conducted debriefing and analysis of critical vulnerabilities related to configuration, asset management, and obsolescence of software and equipment.
- Conversations initiated with key executives (CRO and CISO) on current critical vulnerabilities. Identified potential shortfalls in critical capabilities to assess fraud, brand reputation damage and insider threat issues.
- Conducted capability demonstrations of Phase 2 solution options to address critical gaps in current capabilities. Scoped proposals for Cyber Risk Radar and additional Threat Intelligence under review.

Cyber Risk Program contract with Cailabs U.S. Subsidiary

Contract Summary

- Annual subscription initiated in the 1st Quarter of 2024.
- Scope of contract include quarterly deep dives of cyber assessment for the enterprise; semi-annual darknet assessments, and SME services.

Progress for the Quarter

- Delivered on 2nd quarter's analysis and associated reports.
- Provided comprehensive review of client capabilities to meet U.S. Department of Defense ("DOD") cybersecurity contracting requirements under the National Institute of Standards and Technology ("NIST") 800 series framework and Cybersecurity Maturity Model Certification ("CMMC") 2.0 controls.

Cyber Risk Program contract with Georgetown University

Contract Summary

- Annual subscription renewed in April 2024 for a second year of performance.
- Scope of contract include quarterly assessments, deep dives of cyber assessment for the enterprise, software-based penetration testing and SME services.

Progress for the Quarter

- Delivered on 2nd quarter's analysis and associated reports from the subscription renewal.
- Executed updated evaluation of capability and architecture requirements to integrate into 10-year capital improvement plan.
- Conducted program review with the new vulnerabilities lead to address critical issues with patching and endpoint protection issues and how a push patching or compliance to connect framework would support future security improvements.

Cyber Risk Program support for Global Consulting Firm (Hathaway Global Strategies)

Contract Summary

- Scope includes on-demand one-time cybersecurity audits, deep dives of cyber assessment and recommended remediation actions for the Boards of Directors of client organizations.

Progress for the Quarter

- Conducted assessment for major petroleum producer and distributor to prepare for company divestiture of production and manufacturing sector.
- Current proposal for Cyber Risk Program provided to Director, IT Security for potential implementation across nationwide distributors.

**Cyber Risk Program and Cyber Risk Radar
Proof of Concept for State and Local Government
(City of Atlanta)****Contract Summary**

- 60 Day paid pilot program of both the Cyber Risk Program and Cyber Risk Radar beginning on 17 July.
- Scope of contract for proof of concept ("PoC") includes baseline and final assessments of 10 municipal agencies and 20 vendors. Baseline will also include one-time business risk assessments for each entity. WhiteHawk will provide expert analysis of vulnerabilities, cybersecurity practices, and current shortfalls in existing processes.
- Provided individual entity and portfolio reports detailing the baseline vulnerability assessment of current cybersecurity gaps and potential best practices/policies that can support improved resilience of critical functions.

Progress for the Quarter

- Delivered on baseline analysis and associated assessment reports.
- Conducted baseline debriefing and analysis of critical vulnerabilities related to configuration, asset management, and obsolescence of software and equipment.
- Conducted Executive Debrief with CIOs/Directors of Key municipal agencies on the critical findings and significant issues. Identified potential shortfalls in critical systems and processes that could be addressed at the municipal level.
- City of Atlanta will be issuing a future Request for Proposal for cybersecurity assessment services and continuous monitoring with a potential release date in December 2024.

OUTLOOK

Currently US\$2M in new proposals and task orders with current and new Clients for review in 2024 and for potential contracting in 2024/25.

Engaging on U.S. Department of Defense Chief Digital and Artificial Intelligence Office (“CDAO”) Tradewinds open AI based Funding Opportunities.

Applying for U.S. Department of Homeland Security S&T open Broad Area Announcement for proposals with WhiteHawk AI enabled Comprehensive Mapping of U.S. Critical Infrastructure for Enhanced Risk Management. WhiteHawk and Partner have developed a groundbreaking capability to comprehensively map all U.S. Critical Infrastructure organizations as individual entities with detailed attributes. This unprecedented dataset serves as a force multiplier for strategic risk management, enhancing vulnerability assessments, resource allocation, and interagency coordination. Leveraging this unique insight, we can significantly strengthen national preparedness and resilience.

Long awaited U.S. Department of Defense Regulation Finalized and Released, which is an imperative that impacts all 972,000 U.S. Department of Defense Contractors, Vendors, Suppliers to meet Cybersecurity Maturity Model Certification (“CMMC”).

WhiteHawk has a proven automated Path to CMMC via our Cyber Risk Program and Radar, with Virtual Consultations that we implemented back in 2019 and 2020.

The entire Defense Industrial Base (DIB) has been awaiting the implementation of the Final Rule/Regulation since 2019. This is the overview:

U.S. DOD CMMC Program Office of the DOD Chief Information Officer (“CIO”) “Federal Register on 15 October 2024 and available online at <https://federalregister.gov/d/2024-22905>, and on <https://govinfo.gov>

ACTION: Final Rule with Implementation January 2025

SUMMARY: With this final rule, DOD establishes the CMMC Program in order to verify contractors have implemented required security measures necessary to safeguard Federal Contract Information (“FCI”) and Controlled Unclassified Information (“CUI”).

This rule will be updated as needed, using the appropriate rulemaking process, to address evolving cybersecurity standards, requirements, threats, and other relevant changes.

Executed the below Key Activities with Executive Strategy Group (ESG), who focus on Accelerating Revenue Growth for B2B Tech Companies: executivestrategygroup.com

Kicked off phase 1 of the first Campaign focused on mid-tier U.S. Healthcare Sector in October/November 2024

- Assisted WhiteHawk with the creation of LinkedIn/Dripify campaign execution and email outreach.
- Collaborated on setting up Dripify campaigns and training internal teams to manage ongoing marketing activities.
- Created detailed WhiteHawk Buyer Persona with Outbound Communication for Healthcare on 3 October 2024.
- Provided continuous guidance on best practices for optimizing CRM systems and sales automation.
- Ensured alignment between marketing efforts and WhiteHawk's strategic goals to drive pipeline growth.

Outcomes

- Positioned WhiteHawk for scalable growth through improved marketing.
- Processes and sales funnel efficiency.
- Continue executing the current and new campaigns to drive new business opportunities and market expansion in commercial sectors.

CASHFLOW

- Revenue for the Quarter was US\$1.117M.
- WhiteHawk continues to manage expenses within planned budget, expending US\$386,000 on average per month in total operating expenses over the last quarter.
- Net Cash from Operations in the Quarter was a loss of US\$33,000.
- Payments made to related parties include salaries, director fees and payments made for services provided by Key Management Personnel.

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.

*The Appendix 4C Quarterly Cash Flow Report for the Period Ended
30 September 2024 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")

30 September 2024

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (9 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,117	1,763
1.2 Payments for		
(a) research and development	(196)	(561)
(b) product manufacturing and operating costs	(521)	(726)
(c) advertising and marketing	(44)	(105)
(d) leased assets	(16)	(23)
(e) staff costs	(157)	(725)
(f) administration and corporate costs	(211)	(629)
1.3 Dividends received (see note 3)		-
1.4 Interest received	2	5
1.5 Interest and other costs of finance paid	(7)	(11)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(33)	(1,012)
2. Cash flows from investing activities		
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 (9 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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	313	1,621
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	-	(111)
3.5	Proceeds from borrowings	-	50
3.6	Repayment of borrowings	-	(220)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	313	1,340

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	154	103
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(33)	(1,012)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	313	1,340
4.5	Effect of movement in exchange rates on cash held	-	3
4.6	Cash and cash equivalents at end of period	434	434

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	56	105
5.2	Call deposits	378	49
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	434	154

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	112
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.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	50	-
7.3	Other (please specify)	576	-
7.4	Total financing facilities	626	-
7.5	Unused financing facilities available at quarter end		626
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.		
	<div style="border: 1px solid black; padding: 5px;"> <p><u>Credit standby arrangements</u></p> <p>Credit standby arrangement includes unsecured Line of Credit provided by PNC Bank, with the following terms: Interest rate : variable market interest rate (as at 30 June 2024 : 12.1%)</p> <p><u>Other available facility</u></p> <p>As announced on 31 October 2022, the Company entered into an agreement with Lind Global Fund II, LP ("Investor"), under which the Investor agreed to provide additional funding of A\$1 million (US\$693,200) on a pricing and terms of the initial A\$2 million funding, subject to mutual agreement.</p> <p>Furthermore, on 7 August 2024, a new agreement was executed with the Investor, under which the Investor agreed to provide additional funding of A\$550,000 (USD381,260) on the pricing and terms of the initial A\$500,000 funding, subject to mutual agreement.</p> <p>Section 7.3 outlines the total available facility of A\$282,000 under the 2022 agreement and A\$550,000 under the 2024 agreement with the Investor.</p> </div>		

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(33)
8.2	Cash and cash equivalents at quarter end (item 4.6)	434
8.3	Unused finance facilities available at quarter end (item 7.5)	626
8.4	Total available funding (item 8.2 + item 8.3)	1,060
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	32.12
	<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: NA	

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: NA

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: NA

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 October 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.