



Non - Executive Chairman
Mr Geoff Gander

Non-Executive Directors
Mr Bernard Crawford
Mr Scott Mison

Company Secretary
Mr Scott Mison

31 January 2018

QUARTERLY UPDATE ON ACTIVITIES FOR THE PERIOD TO 31 DECEMBER 2017

KEY POINTS:

- **Continued Development of the Zyber Platform**
- **Strategic Review near completion**
- **Changes to the Board**

Zyber Holdings Limited (ASX: "ZYB") presents the following update on activities for the 3 month period ending 31 December 2017 (the "Quarter"). Also included in this report are details of any subsequent events that have occurred up to the date of this release.

The Quarter in brief:

During the Quarter the Zyber development team monitored and resolved issues with the beta stage Zyber platform and continue to enhance the application based on this valuable feedback.

In addition to this work, a new feature was added which provides the ability to upload files and integrate with zapier.com, a web-based service that allows end users to integrate the various web applications ("apps") they use.

Zapier connects to thousands of apps and can trigger custom workflows allowing users to build integrations very easily to the Zyber secure file storage platform.

The software development team also added a feature that allows users to migrate data from Dropbox to Zyber, demonstrating the flexibility of the platform to integrate with other cloud sharing storage solutions.

This integration has shown that Zyber can be connected with other file sharing platforms to ensure that data can be imported and managed from the Zyber platform, giving users the convenience and security of the central control of their data.

Work has also continued in providing key performance improvements, particularly with large file uploads and data storage configurations. This ensures easy scalability for the platform. Ensuring that Zyber can handle large data, and rapidly expanding data, should provide more opportunities for the software in the future.

The go forward plan should see the development team begin integrating other storage solutions and abstracting Zyber's data layer to allow storage anywhere. This will mean that Zyber users will be given a choice on where to store their data, ensuring the most sensitive data remains in the most secure locations.



Board Changes:

On 22 January 2018 the Company announced that Peter Wall had tendered his resignation as Non-Executive Director. Bernard Crawford has joined the Board as a Non-Executive Director.

Capital Structure and Finances:

As at 31 December 2017, the Company had 648,078,607 listed shares trading under the ASX ticker "ZYB" and 263,603,561 listed options trading under the ASX ticker "ZYBOA".

The Company also has 80,818,257 Exchangeable Shares on issue.

Unaudited net cash reserves as at 31 December 2017 stood at approximately \$A1.43m.

The current Board of Directors have all agreed to defer payment of their Director fees until further notice.

Summary:

Progress during the Quarter was positive in terms of the ongoing development of the Zyber platform and the new Board will continue to review opportunities to further develop the Zyber platform and its portfolio of product offerings.

If shareholders have any questions regarding this Quarterly Report they are welcome to contact the Company on +61 474 455 529.

Geoff Gander
Non-Executive Chairman

ENDS

About Zyber

Zyber Secure Mobile Solutions (www.zyber.com) builds secure file sharing business applications with an emphasis on security, scalability and functionality. Zyber automates confidential information flow processes for industries including government, banking, healthcare, retail and the public sector.

Social Media Policy

We believe in providing the highest levels of communications, and whilst the ASX remains the platform for market sensitive releases, we encourage all shareholders to follow Zyber on Twitter (@myzyber), LinkedIn and YouTube.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Zyber Holdings Limited

ABN

84 131 090 947

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(66)	(102)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	(21)
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(95)	(222)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	13
1.5 Interest and other costs of finance paid	-	-
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	(157)	(332)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) 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 shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	1,570	1,745
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(157)	(332)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	1,413	1,413

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	292	253
5.2	Call deposits	1,121	1,317
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)	1,413	1,570

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

9

Director fees to Peter Wall for 31 December 2017 period.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

-

-

-

8. Financing facilities available

Add notes as necessary for an understanding of the position

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

(50)

9.2 Product manufacturing and operating costs

-

9.3 Advertising and marketing

-

9.4 Leased assets

-

9.5 Staff costs

-

9.6 Administration and corporate costs

(170)

9.7 Other (provide details if material)

-

9.8 Total estimated cash outflows

(220)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)

Acquisitions

Disposals

10.1 Name of entity

-

-

10.2 Place of incorporation or registration

-

-

10.3 Consideration for acquisition or disposal

-

-

10.4 Total net assets

-

-

10.5 Nature of business

-

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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.

Sign here:


(Director/Company secretary)

Date: 31 January 2018

Print name: Scott Mison.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.