



Executive Chairman
George Hatzipapas

Non-Executive Director
John Tomaras
Ted Tzovaras

Company Secretary
Henry Kinstlinger

ASX ANNOUNCEMENT

29 October 2019

ZYBER UPDATE FOR THE QUARTER ENDING 30TH SEPTEMBER 2019 & APPENDIX 4C

Zyber Holdings Limited (ASX: ZYB) (Zyber or Company) is pleased to provide an update on the Company's activities, as well as the Appendix 4C for the quarter ended 30 September 2019.

- **Zyber responds to ASX queries**
- **Executive changes – strong legal presence**
- **Blockchain transitioning continues**
- **Change of Address**

The Company responded to a number of queries from the ASX and is conducting a review with respect to the matters raised (ASX: 13/08/2019; 28/08/2019; 12/09/2019).

An initial payment of \$100,000 was received toward a \$550,000 loan provided to the Executive Chairman. Further payments are pending under the terms of the loan.

On 8 August 2019, Richard Hoffman retired as director of the Company.

19 August 2019, Ted Tzovaras was appointed director of the Company.

Ted Tzovaras is an accomplished practising lawyer with an extensive and a varied experience in commercial litigation and alternative dispute resolution, commercial transactions and corporate matters in Australia and internationally, spanning over almost four decades. He has acted as an instructing solicitor and appeared as an advocate in commercial litigation, international arbitration and criminal proceedings. He has acted as a legal representative in respect of major and complex commercial transactions and corporate matters.

He is a Solicitor and Barrister of the Supreme Courts of New South Wales, Victoria, Western Australia and the Australian Capital Territory, and a Solicitor of the High Court of Australia and all federal courts of Australia. His professional qualifications include Bachelor of Laws from the University of Sydney, Master of Laws from the University of Technology, Sydney, Master of Business Administration from the Macquarie Graduate School of Management and Diploma in International Commercial Arbitration from the Chartered Institute of Arbitrators.

He has served on the board of directors of several Australian and foreign private and public companies engaged in property development, fund management, manufacturing, engineering, mining and international trade.

Subsequent to the reporting date the Company advised that it had changed its premises to Suite 5, Level 12, 53 Martin Place, Sydney, NSW 2000

Business Development

Investigations were focused on transitioning to a blockchain solution.

External consultation regarding the proposed proof of concept and its potential effectiveness in a business environment was conducted with a focus on building the application on the Ethereum network. Ethereum is currently limited in its ability to scale and investigations determined that it was only able to process 15 transactions per second creating a significant bottleneck.

Research continues to be conducted in order to build a blockchain solution that leverages existing networks that can scale. The proposed Ethereum 2.0 upgrade may provide adequate processing at scale.

The effective solution must provide scalability and not compromise on security.

For further information please contact:

Henry Kinstlinger
Company Secretary
Zyber Holdings Limited

Telephone: +61 2 9251 7177

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.

Zyber was initially listed on ASX as a business developing a secure, easy to install, mobile communication platform that allows users to transact, share data and collaborate across multiple devices and operating systems. The design of the software platform has departed from its original development objectives, which included 4 stages beginning with USB virtual desktop and ending with mobile touch virtualization. Zyber is now developing a proof of concept that will provide end-to-end encryption using blockchain technology.

Zyber has not proceeded with its previous plans to prepare provisional patent applications and will consider the most appropriate means of protection given the software's stage of development and its budget.

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")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(22)	(22)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(9)	(9)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (potential business opportunity)	-	-
1.9 Net cash from / (used in) operating activities	(31)	(31)
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 (3 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 ⁺	100	100
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details)	-	-
2.6	Net cash from / (used in) investing activities	100	100

⁺ Part repayment of loan provided to Mr George Hatzipapas

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	33	33
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(31)	(31)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	100	100
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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	102	102

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	102	33
5.2	Call deposits	-	-
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)	102	33

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**

-
-

No director fees were paid during the current quarter.

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**

-
100

Part repayment of loan provided to Mr George Hatzipapas

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at - quarter end \$A'000
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.		

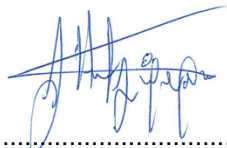
9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	20
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	-
9.6 Administration and corporate costs	20
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	40

Note: The Company will embark on a capital raise to secure additional funds before payments become due or payable. The directors have a reasonable expectation that they will be successful.

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	-	-

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:
Executive Chairman

Date: 29 October 2019

Print name: George Hatzipapas

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.