



**Executive Chairman**  
George Hatzipapas

**Non-Executive Director**  
John Tomaras  
Ashley Hood

**Company Secretary**  
Henry Kinstlinger

## ASX ANNOUNCEMENT

31 January 2020

### **ZYBER UPDATE FOR THE QUARTER ENDING 31<sup>st</sup> DECEMBER 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 31 December 2020 (**December Quarter**).

#### **Key Matters**

- **Business Development**
- **Zyber responds to ASX queries**
- **Executive Movements**
- **Options Expiry**
- **AGM**
- **Cash preservation – shareholders approve issue of securities in lieu of cash remuneration**
- **Executive Loan**

#### **Business Development**

Keen assessment has been made on Vitalik Buterin's 4 blog posts during Devcon. The 4 blog posts detailed the upcoming Ethereum 2.0 which would transition from a Proof Of Work (POW) blockchain to a Proof of Stake (POS) blockchain.

Proof of Stake allows for far greater scalability and much less energy resources required. This has a significant effect on the blockchain solution previously conceived. Ethereum 2.0 although has answered scalability questions yet has certain intricacies in the way developers manage applications and recalling data on the Ethereum blockchain; extremely important for the proposed Zyber application.

Zyber has researched InterPlanetary File System (**IPFS**) and its potential viability to be transitioned into a commercial product. IPFS is a peer to peer hypermedia protocol designed to mitigate cyber theft of data. Zyber needs to understand the potential to harness the technology but also to design functionality for a working commercial product.

#### **ASX Queries**

On 19 and 27 November the Company responded to a number of queries from the ASX.

### Executive Movements

On 29 November, Ashley Hood was appointed non-executive, independent director of the Company following resignation of Ted Tzovaris.

Ashley Hood has more than 15 years' experience in the mining industry working in mine and exploration operations for junior and large mining companies based in Australia and throughout the Pacific including New Zealand. He has broad senior management experience having held a number of ASX appointed board positions while working on some of Australia's major JORC resources. Mr Hood predominantly specialises in project/people management, native title negotiations, logistics, project due diligence/acquisitions and personally holds and manages a number of his own exploration project developments.

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.

### Options

218,831 ZYBOA Options were exercised during the December Quarter, raising gross proceeds of \$2,625.97.

Series ZYBOA listed options and series ZYBOP4 unlisted options expired on 31 October 2019.

### AGM

The Company's AGM was held on 29 November 2019. All resolutions were passed on a poll.

Shareholders approved the issue of securities to non-executive directors and the company secretary in lieu of cash remuneration.

### Treatment of director loan

Subsequent to the December Quarter the directors resolved to set off the Executive Loan in the amount of \$37,500, being remuneration payable to the Executive Chairman for the December Quarter and to extend the period in which the loan must be paid to 30 June 2020.

Additional interest in the amount of \$4,739.10 is payable.

Accordingly, the amount outstanding and payable on or before 30 June 2020 is \$125,209.04 (including interest).

### For further information please contact:

Henry Kinstlinger  
Company Secretary  
Zyber Holdings Limited

Telephone: +61 2 9251 7177

The release of this announcement has been approved by the board of Zyber Holdings Limited.

### About Zyber

Zyber Secure Mobile Solutions ([www.zyber.com](http://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")**

31 December 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(29)	(52)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	-	-
(f) administration and corporate costs	(16)	(24)
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)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(45)</b>	<b>(76)</b>
<b>2. Cash flows from investing activities</b>		
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 <sup>+</sup>	-	100
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>100</b>

<sup>+</sup> Part repayment of loan provided to Mr George Hatzipapas

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	3	3
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>3</b>	<b>3</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 quarter/year to date	102	33
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(45)	(76)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	100
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3	3

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	<b>Cash and cash equivalents at end of quarter</b>	<b>60</b>	<b>60</b>

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	60	102
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>60</b>	<b>102</b>

**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 in cash during the current quarter. Shareholders approved the issue of shares in lieu of cash to non-executive directors on 29 November 2019. No payments were made to the Executive Chairman during the quarter. Subsequent to the quarter the directors resolved to set off the Executive Loan in the amount of \$37,500, being remuneration payable to the Executive Chairman for the quarter and to extend the period in which the loan must be paid to 30 June 2020. Additional interest in the amount of \$4,739.10 is payable. Accordingly, the amount outstanding and payable on or before 30 June 2020 is \$125,209.04 (including interest).

**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. <b>Financing facilities available</b> <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. <b>Estimated cash outflows for next quarter</b>	\$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	40
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>60</b>

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. <b>Acquisitions and disposals of business entities</b> <b>(items 2.1(b) and 2.2(b) above)</b>	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: 31 January 2020

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.