



ASX ANNOUNCEMENT | COVATA LIMITED

Covata Executes \$13.2 Million Strategic Equity Placement

SYDNEY – 30 May 2016 – Covata Limited (ASX: CVT) (Covata or the Company) has secured firm commitments for a strategic equity placement. The commitments include participation from prominent US and Asia Pac funds and increased percentage holdings by the top two shareholders, Fidelity International and TPG Telecom.

- **Capital placed now to fund access to long term revenue contracts from recent Cisco and Government progress**
- **TPG Telecom and Fidelity International increase holdings from 13.49% to 14.49% and 7.44% to 9.91% respectively**
- **Participation from 5 key U.S. institutional investors**

The Company is pleased to advise that it has secured firm commitments for a placement of 57,728,748 fully paid ordinary Covata shares (**Placement Shares**) at a price of \$0.23 per share, to raise the Company \$13,277,612 of additional capital (before costs).

The Placement Shares will be issued in two tranches. The first tranche, comprising 23,590,743 Placement Shares, will be issued without shareholder approval within the Company's placement capacity under ASX Listing Rule 7.1. The second tranche, comprising the remaining 34,138,005 Placement Shares, is subject to shareholder approval which will be sought at an upcoming general meeting expected to be held in early July.

The Placement Shares will be issued to professional, sophisticated and institutional investors of Ord Minnett Limited and Chardan Capital Markets LLC, who acted as joint lead managers to the placement.

Covata Founder and CEO Trent Telford said of the strategic placement;

"The Company has laid strong foundations across our three go-to-market channels since listing in November 2014 and achieved a number of significant partnerships and milestones to date.

Over the last two quarters the Company has made substantial progress in the UK Government sector, progressed our enterprise pipeline and made significant progress with Cisco - with new joint business opportunities active. Accordingly, we remain focused on driving revenue from our Telco, Government and Cisco partnerships, and this equity



placement affords runway to achieve this. We are thankful to our existing major shareholders for their strong support and we welcome new U.S. and Asian institutions to the register.”

A further announcement and Appendix 3B will be released upon completion of the issue of first tranche of the Placement Shares, expected to occur on Thursday 2 June 2016.

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About Covata

Covata enables true ownership and control over your data in the cloud and over mobile services. We deliver data-centric security solutions without compromising simple usability, providing true end-to-end security. Your data is always protected wherever it may travel – inside your network, beyond the domain, to mobile devices and to the cloud – with granular access controls that extend to external users, view-only restrictions, real-time revocation and complete visibility and auditability.

Own Your Data, control your data and choose where it is stored – with complete assurance that it is protected and secure. For further information please visit Covata.com.