6th November 2012

Company Announcements Office ASX Level 6 20 Bridge Street SYDNEY NSW 2000

Dear Sirs,

Receives UK CAPS Certification

Please find attached statement by Directors.

Yours faithfully

Chris Brown Chairman

STATEMENT BY THE DIRECTORS OF SENETAS CORPORATION LIMITED

Senetas CN1000 1G Ethernet Encryptor Receives CESG CAPS Certification

<u>CN1000 1G Ethernet Encryptor formally approved for UK Government use following</u> <u>cryptographic evaluation by CESG</u>

For the first time UK Government agencies now have access to a Layer 2 Ethernet 10M/100M/1G Encryptor device designed to tackle head-on the increasing number of threats to Government security. After a rigorous evaluation process, the CN1000 has received official (CAPS) certification from CESG, the UK's National Technical Authority for Information Assurance.

Senetas Corporation is a leader in the Layer 2 Encryptor markets. The CN1000 CAPS Baseline Grade Ethernet encryptor is a high performance encryption platform that provides maximum security within modern Ethernet networks. The CN1000 can operate at 10Mbps, 100Mbps and 1Gbps across point to point layer 2 links.

CESG introduced CAPS to enable private sector companies to develop cryptographic products for use by Her Majesty's Government (HMG) and other appropriate organisations. Providing independent evaluation that cryptographic products meet Government standards, CESG then formally approves their use by UK Government agencies and the wider public sector.

Today's government and commercial organisations are dependent on the data they collect, process, analyse and distribute across their networks. This valuable data is increasingly targeted for theft and espionage.

Senetas encryption solutions secure sensitive data without compromising network availability or application performance as it is distributed across high-speed networks. Organisations are increasingly turning to encryption as a tool to protect their sensitive data, and Senetas believes there is a growing market opportunity for the company's products.

Andrew Wilson, Senetas Corporations Melbourne-based CEO, says: "We developed the CN1000 Layer 2 Encryptor specifically to tackle the problem of network vulnerability. The device provides encryption at full line speed with minimum latency across service provider Ethernet services including point to point and MEF, MPLS networks."

About Senetas Corporation Limited

Senetas Corporation Limited (ASX Code: SEN) is an Australian ASX-listed company and is the world's leading developer and supplier of high speed network encryption hardware. The Company's products are accredited to the highest international government security standards, including FIPS 140 2 Level 3 and Common Criteria EAL4+. The Senetas CN1000 Ethernet encryptor has now gained CESG certification to the UK CAPS baseline standard.

Senetas Europe Limited based in the UK, manages the UK and European reseller network. Senetas products are now sold by channel partners in more than 40 countries. Customers include government, military, law enforcement and regulatory agencies, as well as leading financial institutions in Australia, USA, Middle East, Asia, and Europe.

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