

GENERAL MARKET UPDATE

Cashwerkz Limited (ABN: 42 010 653 862) (Company) (Cashwerkz) is pleased to provide the following further update on trading.

Business Update

Alongside consistent revenue growth in our Bond business being realised during November, we have received a first tranche of government grants and a second tranche is expected shortly which we expect to total over \$800,000 for our technology innovation.

In December we successfully issued a Cashwerkz Note of \$4.5m with attaching options. We have applied to the ASX for approval to apply for quotation of nine (9) million options with an exercise price of 50c and are awaiting such approval. Options on the same terms are being issued to reward staff, with 42 staff taking up a total of 84,000 options. The original intent was to raise at least \$2 million to cover requirements for funding additional inventory and likely increase in required NTA for the Trustees Australia business. We have, however, received strong demand in a very short time and have closed the offer with \$4.5 million in demand. The bond offer was taken up by a small number of wholesale investors and Cashwerkz staff, to fund the growth in capital requirements of our FundIncome and BondIncome businesses.

Restructuring of Business

Cashwerkz's commitment to continual improvement and the resulting restructure of the existing business, undertaken during October and November of 2020, has improved the running costs and operational synergies available across all business lines. Enterprise operational improvements and process developments have enabled newfound efficiencies through our technology and people. The restructuring resulted in redundancies of approximately 20% of staff, the resulting alignment and efficiencies will flow through to our bottom-line before the end of FY21.

Talent Acquisition

Cashwerkz is delighted to welcome a significant number of senior talent hires, all of whom bring a wealth of experience and individual expertise, aligning with Cashwerkz's culture and strategy. The following appointments will further promote our growth-orientated mindset that is at the forefront of each business decision made at Cashwerkz:

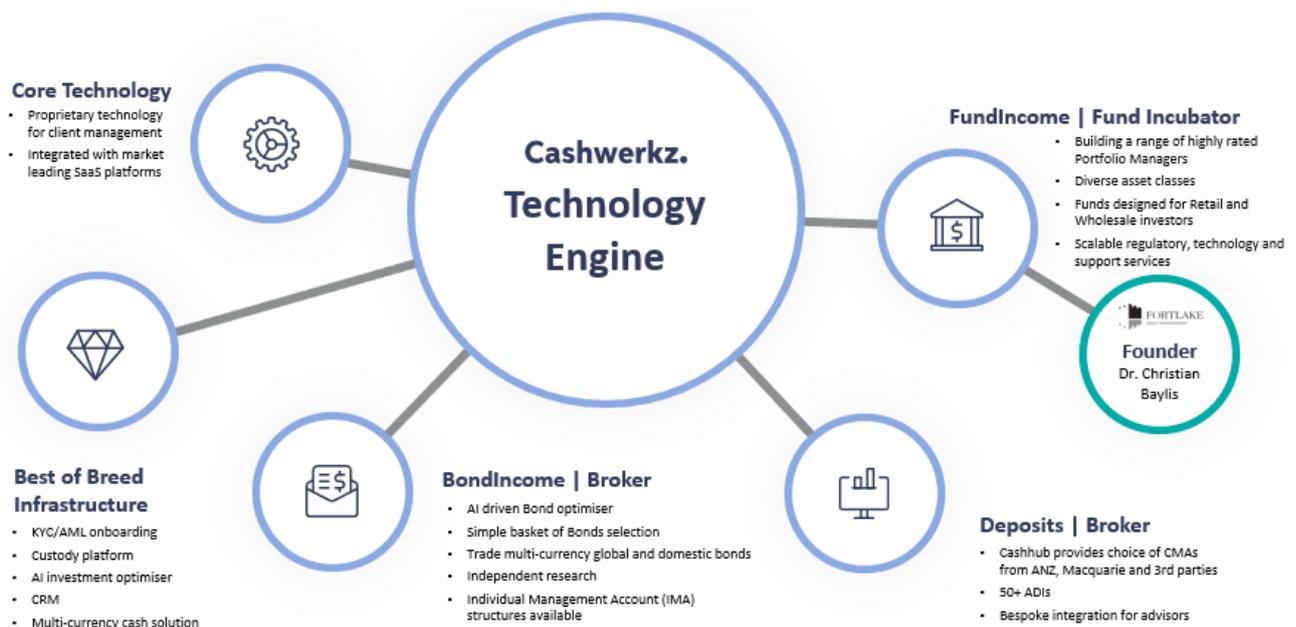
- Our new Financial Controller, Clare Power, joins us from BT where she filled a similar position, after extensive service with Deutsche Bank and PWC.
- Alexandra Coleman is to be appointed Chair of Trustees Australia Limited. She has strong AFSL expertise and was instrumental in getting Fortlake to the market.
- Head of Deposits, Bianca Burt, ex FIIG Securities of 15 years and experienced in managing billions in cash and term deposits.
- Kyle Lambert, ex BGC Australia and our Head of Bond Facilitation, is starting early in 2021. He is one of the most exciting talents in the Bond Industry and a proven performer.
- Vanessa Chidrawi as our Company Secretary, drawing on her vast governance experience and her most recent role as company secretary for Wisr Limited.
- Matthew Loughnan, former NSX CEO and accomplished senior executive, to our Chief Commercial Officer role.

Cashwerkz.

We are proud to welcome each of these highly qualified and accomplished individuals to the team as a part of our restructuring and launch of our fixed income focused businesses. These senior appointments, with strong female representation, embody our commitment to diversity within Cashwerkz. All these appointees are proven performers in their fields across Sales, Finance, Financial Services and Governance.

The Cashwerkz solution for income investing.

The Cashwerkz business is a scalable “hub and spoke” business model. The ability for business areas to interact with one another allows for ideal collaboration between Term Deposits, BondIncome and FundIncome with our technology, risk management and regulatory capability being at the core of all operations and client engagements.



Term Deposits

The low cash rate environment has meant that we are assessing elements of our traditional Deposit business. The deposits business will continue to be a fundamental part of the overall product offering of Cashwerkz, with the overarching goal to target professional cash investors looking for a place to allocate their funds. By targeting this client base, there is the potential for much larger placements and servicing the very significant client overlap between our three core business lines.

BondIncome

The BondIncome team have continued to produce very promising results through recent months, delivering significant revenue and clientele growth for the business. This includes new client accounts opened, growth in funds in custody and new issues of debt capital to meet client demand. The growth in client numbers and funds under advice is pleasing and on-plan. The new year will start with several high-grade new issues already in the pipeline. We will also work closely with investors to find the right fund solution within the Fortlake suite of funds, the demand is already building.

FundIncome

FundIncome was spearheaded by the introduction of Fortlake Asset Management, following on from the announcement released to the ASX on 9 November 2020. Former UBS senior executive, Dr. Christian Baylis, heads an astute team including Dr. Kylie Anne Richards, Dr. Nalin Prasad, Dr. Lan Do and Hang Nguyen that will operate the fund with the support from Cashwerkz, TGM, Mr Alex Waislitz and other investors. With the establishment of an experienced board of directors, the Fortlake funds are well positioned for consistent growth into the future.

As announced on 17 December 2020, the Fortlake business has finished the year with more than \$300 million in funds under management. This is a sensational result and de-risks the investment from a FundIncome perspective, well ahead of our original estimates. We have built a great template within the FundIncome and Trustees Australia businesses and look forward to bringing more new funds to market in 2021. With that in mind we are recruiting a CEO for the FundIncome business presently, as well as more Distribution staff. The FundIncome business plan is conservative to keep costs under control as we expand but we will ensure we always have sufficient resources, ahead of the needs of the business.

This partnership is a further example of the ongoing restructuring and continuous improvement occurring at Cashwerkz, as we widen our product offering to become an increasingly dynamic and innovative company delivering the right solution for income investors. We are in discussion with multiple aspirant fund managers seeking assistance to launch their funds aligned with Cashwerkz's strategy and culture. Our ongoing diligence into the new year remains very selective and focused on reducing risk to our stakeholders and ensuring our services and products offer high quality to our investors.

This announcement was approved for release by the Board of Directors.

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About Cashwerkz Limited

The Cashwerkz Limited Group of companies delivers an innovative online income investment marketplace including, Bond sales, At Call and Term Deposits and managed fixed income investments. Cashwerkz now includes Cashwerkz Technology, Bond Income and Fund Income as its revenue and asset creating divisions. Listed on the Australian Securities Exchange (ASX: CWZ) the group is headquartered in Australia. The Group consists of the following companies:

- Cashwerkz Limited ABN 42 010 653 862 AFSL 260033;
- Cashwerkz FI Limited ABN 86 111 273 048 AFSL 283119;
- Cashwerkz Technologies Pty Ltd ABN 70 164 806 357 AFSL 459645;
- Trustees Australia Limited ABN 63 010 579 058 AFSL 260038; and,
- FundIncome Pty Ltd ACN 643 600 088.