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IXUP technology enters U.S. online gaming and sports wagering markets

HIGHLIGHTS:

- IXUP has entered into a Pilot Collaboration Agreement with Conscious Gaming and GeoComply Solutions Inc.
- Key focus is the development of a next generation online betting and impermissible bettor exclusion product, harnessing IXUP's world's leading secure data collaboration technologies
- GeoComply is a global leader in geolocation services for fraud prevention and cyber security with an existing dominant position in the U.S. based sports betting markets, servicing nearly **100%** of the U.S. iGaming market
- Conscious Gaming is a Nevada-based non-profit organisation founded by GeoComply that leverages technology to create a safe and responsible online gaming environment
- The Agreement sees IXUP's secure data collaboration technologies and functionality incorporated into GeoComply's existing market-leading "PlayPause" product
- Enhanced IXUP-powered "PlayPause" product to be tested in U.S. based proof of concept trials
- Advanced discussions underway with major U.S. sports leagues, sports betting operators and regulators for participation in proof of concept trial
- Based on successful proof of concept trials, enhanced IXUP-powered "PlayPause" product will be jointly commercialised by GeoComply and IXUP in the large U.S. gaming and wagering market
- Rapidly growing sports betting market in the U.S., together with potential global application, present a significant total addressable market opportunity

IXUP Limited ("IXUP" or "the **Company**") (ASX:IXU) is pleased to announce that after the successful completion of a technical due diligence process, it has signed a binding Pilot Collaboration Agreement (the **Agreement**) with GeoComply Solutions Inc. (**GeoComply**), and Conscious Gaming, to leverage IXUP's secure data collaboration technologies within the U.S. online gaming and sports wagering markets (the **Collaboration**). The focus of the Collaboration is to initially support sports integrity and deliver functionality for self-exclusion and the exclusion of impermissible bettors to sports betting operators, major sports leagues and regulators across States in the U.S.

The Collaboration involves incorporating IXUP technology within GeoComply's market-leading "PlayPause" multi-state self-exclusion product in order to add further functionality, encryption based data security and product scalability. The enhanced IXUP-powered "PlayPause" product is then to be tested in proof of concept trials (POC) with key market participants in the U.S., and subject to successful POC testing, will then be jointly commercialised by GeoComply and IXUP, noting the significant total addressable market in the U.S. and internationally for this product.

Details of the Collaboration

The Collaboration will provide IXUP's market-leading encryption-based security, functionality and product scalability to GeoComply's "PlayPause" Multi-State Self-Exclusion product, by incorporating IXUP's secure data collaboration technology and associated capabilities. This will ensure players, coaches, support staff, their families, and related entities (**Impermissible Bettors**) are excluded from participating in online betting, gaming and wagering activities, with both IXUP and GeoComply bringing essential elements to the update of "PlayPause".

Under the terms of the Agreement, IXUP will be responsible for contributing its world-leading secure data collaboration technology, as well as developing, operating and maintaining the jointly developed product. GeoComply will contribute its existing "PlayPause" product and will be responsible for assisting with all regulatory matters, as well as overseeing all sales and marketing efforts with its existing extensive customer base with the major U.S. online betting operators.

GeoComply has commenced engaging with major U.S. sporting leagues regarding the provision of this betting exclusion product and in relation to possible participation in a fully operational POC.

Marcus Gracey, CEO of IXUP, commented, "For some time now we have been assessing opportunities for our secure data collaboration technologies within the lucrative U.S. sports data and digital sports wagering and gaming markets, which are experiencing once in a generation growth rates due to the deregulation of the U.S. online gaming markets. This Collaboration with GeoComply and Conscious Gaming is an ideal opportunity to showcase the application of our technology within this highly regulated market where the handling of sensitive data is paramount, with serious consequences for non-compliance. The collaboration will involve the secure interaction of databases containing sensitive Personally Identifiable Information (**PII**) supplied by the teams and leagues themselves, which will then form the basis of excluding Impermissible Bettors from making bets with sports betting operators.

"We commend GeoComply for its corporate social responsibility vision being expressed through Conscious Gaming, which is addressing significant social challenges within the industry, including problem gaming, and to its foresight in considering the application of our technology to address this and other issues.

"We are proud to be working with GeoComply to deliver this world leading and essential product solution and I am confident in our ability to execute and deliver a successful proof of concept trial, given the team we have brought together during the last 12 months. This opportunity is also directly aligned with our strategy to leverage our core technology into lucrative sports data and wagering markets and to use our technology for social good, where there are suitable opportunities to do so."

Anna Sainsbury founder of GeoComply and Conscious Gaming, commented, "With the significant growth of sports betting in the U.S. market, it is imperative that stakeholders proactively mitigate problem gambling and effectively manage Impermissible Bettors. Whether a player has self-excluded or if they are prohibited from betting due to regulatory restrictions, a technology solution will be available that gives operators the confidence that they are compliant. Given our extensive experience in these markets, we have the foresight to develop a product with IXUP that can assist with this significant problem. We see IXUP's unique secure data collaboration technology as a key enabler, and we are therefore extremely excited to be working with IXUP to deliver this Proof of Concept and ultimately commercialise this product across the broader North American sports betting and iGaming landscape in coming years".

Background to the PlayPause Opportunity and GeoComply

Consistent with the objectives of IXUP's Collaboration Agreement with Tekkorp Capital LLC (**Tekkorp**), which included the identification of opportunities for IXUP technology within the lucrative U.S. online gaming and wagering markets, Tekkorp introduced IXUP to GeoComply, to consider the potential application of IXUP technologies to the challenges associated with problem gambling and responsible gaming. After initial discussions and a successful period of technical due diligence, IXUP and GeoComply have agreed to enter into the Pilot Collaboration Agreement.

GeoComply, is a Canada based organisation with a focus on fraud prevention and cybersecurity solutions that detect fraud and help verify a customer's true digital identity. Their award-winning products are based on the technologies developed for the highly regulated and complex U.S. online gaming and sports betting market.

GeoComply's location-based fraud detection and geolocation compliance tools have been utilised in various U.S. markets to ensure online customers are verified, prior to approval of a transaction. GeoComply's technology solutions have relevance in an online commerce setting, where it is essential that the risk of customers transacting is minimised due to the high incidence of fraud that can occur in a setting where there is no physical customer verification.

GeoComply services numerous industries and is extremely active with most of North America's major online wagering and gaming companies, assisting with deposit-related fraud reduction activities and has 100% market share in the U.S. market within the gaming and wagering sector for these geolocation-based services. Their software is installed on over 400 million devices worldwide and analyses over 3 billion transactions a year, placing GeoComply in a unique position to identify and counter both current and newly emerging fraud threats.

GeoComply has also created a wholly owned subsidiary, called Conscious Gaming, which is a philanthropic organisation committed to utilising advanced technology to propel social responsibility initiatives, with a focus on developing solutions for problem gaming, excluded players and other social challenges within the sector.

Conscious Gaming's mission is to leverage advanced technology and insights, to empower corporate social responsibility. Conscious Gaming works with gaming operators, regulators, responsible gaming advocacy groups, academics, and treatment professionals, to better protect consumers and enhance responsible gaming.

Conscious Gaming has more recently introduced an exclusion tool called "PlayPause" for use by major U.S. sporting leagues, focused on ensuring Impermissible Bettors are unable to place bets on sporting events to which they are involved.

In the U.S. (and globally), it is illegal for Impermissible Bettors, to place bets on the outcome of sporting events that involve their team. Traditional efforts to stamp out this illegal practice have focused, to a large degree, on the honesty of the Impermissible Bettors, who are asked to declare a list of all online betting accounts to which they are associated.

GeoComply saw the potential to develop a revolutionary new Impermissible Bettors exclusion system, although, to make this system more robust and less open to manipulation, saw the need to utilise a database of Impermissible Bettors sourced from the sporting teams and/or leagues themselves, rather than just depending on the honesty of the Impermissible Bettors, which is open to dishonesty through the misreporting of their own or related party accounts.

The use of databases of Impermissible Bettors, supplied by the sporting teams, introduces significant data security risks and concerns related to the sharing of PII data, which led GeoComply to IXUP's global expertise in the sharing and analysis of secure (encrypted) datasets.

The Product

The final IXUP enhanced "PlayPause" product is intended to be deployed as a distributed, fully encrypted, and highly secure cloud platform to enable Impermissible Bettors to be registered and queried in a privacy preserving manner. The platform will use a blend of military grade encryption techniques (including homomorphic encryption) to ensure data is protected and controlled by data owners at all times, yet still enable the data to be searched to identify an Impermissible Bettor. The scalability of the cloud platform will ensure the solution can support the growing size of the sports betting market and the significant amount of data that will need to be queried in real time as a result.

This announcement has been approved for release by the Board of IXUP.

-ENDS-

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About IXUP

IXUP Limited (ASX:IXU) (pronounced 'eyes up') is a pioneering technology company that has developed world class software facilitating the secure sharing and analysis of sensitive information using advanced encryption technology. The Company's Secure Data Engine is the missing 'key' to organisations 'unlocking' their information assets previously unable to be shared or commercialised due to concerns around privacy, cyber security, and compliance considerations. IXUP's Secure Data Engine is being commercialised at a crucial junction when the need to share and drive revenue from sensitive data and dormant data assets is becoming more important yet more difficult to achieve.

To learn more, please visit: www.ixup.com. IXUP's registered address is Level 3, 223 Liverpool Street, Darlinghurst NSW 2010.