

# Plurilock Completes Acquisition of Aurora Systems Consulting, Inc.

Victoria, British Columbia--(Newsfile Corp. - April 1, 2021) - Plurilock Security Inc. (TSXV: PLUR) (OTCQB: PLCKF) ("Plurilock" or the "Company"), a leading provider of invisible and continuous authentication technologies for enterprises, is pleased to announce that it has completed its previously announced ([March 29<sup>th</sup>, 2021](#)) acquisition of Aurora Systems Consulting, Inc. ("Aurora"), a provider of advanced cybersecurity technology and services based in California (the "Acquisition").

## **Business Highlights**

The acquisition of Aurora supports the Company's thesis that the global cybersecurity industry is highly fragmented and remains a growing global market. With Aurora, Plurilock will have access to over 140 tier-1 customers and a professional sales team based in the United States that is focused on selling cybersecurity products. As an existing authentication technology provider, Plurilock will now be able to cross sell their high margin software solution to Aurora's end customers.

As this is the first acquisition Plurilock has made since completing its reverse takeover transaction in September 2020, it is directly in line with the Company's strategy of acquiring attractive assets that have an immediate synergistic impact on operations and can provide an opportunity to expand margins.

- Revenue of US\$28.1 million (CAD\$35.8 million) in 2020
- Gross Margin of US\$1.4M in 2020
- Diversified client base consisting of over 140 tier-1 organizations
- Numerous prominent master service agreements with state and federal agencies in the United States

"We are thrilled to be adding Aurora and its team to the Plurilock family," said Ian L. Paterson, CEO of Plurilock Security Inc. "Aurora's customer base of tier-1 organizations in government and related industries allow us to expand our sales reach while providing them with a state-of-the-art identity assurance capabilities to secure their organizations from cyber threats. This acquisition also provides us with a larger footprint within the U.S. market which remains a key focus for us."

## **Material Terms of the Acquisition**

- The total aggregate consideration for the purchase of 100% of the issued and outstanding shares of Aurora is up to US\$1,500,000. The Company has paid to the Seller US\$896,714 in cash, subject to a working capital adjustment, and issued to the Seller 698,888 common shares of Plurilock (the "Closing Consideration Shares") at a deemed price of \$0.54 per share. The Seller is entitled to a performance-based earnout of US\$300,000 in common shares of Plurilock (the "Earnout Shares"). The Earnout Shares will be issued at a deemed price equal to the closing trading price of the common shares of Plurilock on the TSXV on the date prior to announcement of the issuance of the Earnout Shares, subject to a minimum share price of \$0.30. The Closing Consideration Shares are subject to certain contractual restrictions on trading for a period of 18 months from the date of issuance.
- US\$90,000 of the consideration was placed in escrow for 12 months to satisfy any indemnification obligations to the Company, as well as any purchase price adjustments pursuant to the terms of the definitive agreement.
- Plurilock also paid a transaction fee to an arm's length third party consultant in \$25,000 in cash and issued 46,296 common shares of the Company at a deemed price of C\$0.54 per share. These shares are subject to statutory hold period expiring on the date that is four months and a day from the date of issuance.

## **About Aurora**

Aurora is revolutionizing the Cybersecurity approach with products and services that proactively prevent, secure, and manage advanced threats and malware. Aurora's technology offerings and portfolio of services protect hundreds of enterprise clients worldwide including Fortune 1000 organizations, local government, and federal institutions.

## **About Plurilock**

Plurilock is a cybersecurity company that provides advanced and continuous authentication for standards and regulatory compliance. Plurilock's software leverages state-of-the-art behavioral-biometric, environmental, and contextual technologies to provide invisible, adaptive, and risk-based MFA solutions with the lowest possible cost and complexity. Plurilock enables organizations to compute safely-and with peace of mind.

For more information, visit <https://www.plurilock.com> or contact:

Ian L. Paterson  
Chief Executive Officer  
[ian@plurilock.com](mailto:ian@plurilock.com)  
416.800.1566

Roland Sartorius  
Chief Financial Officer  
[roland.sartorius@plurilock.com](mailto:roland.sartorius@plurilock.com)

Prit Singh  
Investor Relations  
[prit.singh@plurilock.com](mailto:prit.singh@plurilock.com)  
905.510.7636

## **Forward-Looking Statements**

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") which relate to future events or Plurilock's future business, operations, and financial performance and condition, including with respect to the Company's business plan with Aurora following the closing of the Acquisition and the anticipated growth of the Company's sales following closing of the Acquisition. Forward-looking statements normally contain words like "will", "intend", "anticipate", "could", "should", "may", "might", "expect", "estimate", "forecast", "plan", "potential", "project", "assume", "contemplate", "believe", "shall", "scheduled", and similar terms. Forward-looking statements are not guarantees of future performance, actions, or developments and are based on expectations, assumptions and other factors that management currently believes are relevant, reasonable, and appropriate in the circumstances. Although management believes that the forward-looking statements herein are reasonable, actual results could be substantially different due to the risks and uncertainties associated with and inherent to Plurilock's business. Additional material risks and uncertainties applicable to the forward-looking statements herein include, without limitation, unforeseen events, developments, or factors causing any of the aforesaid expectations, assumptions, and other factors ultimately being inaccurate or irrelevant. Many of these factors are beyond the control of Plurilock. All forward-looking statements included in this press release are expressly qualified in their entirety by these cautionary statements. The forward-looking statements contained in this press release are made as at the date hereof and Plurilock undertakes no obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required by applicable securities laws.

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