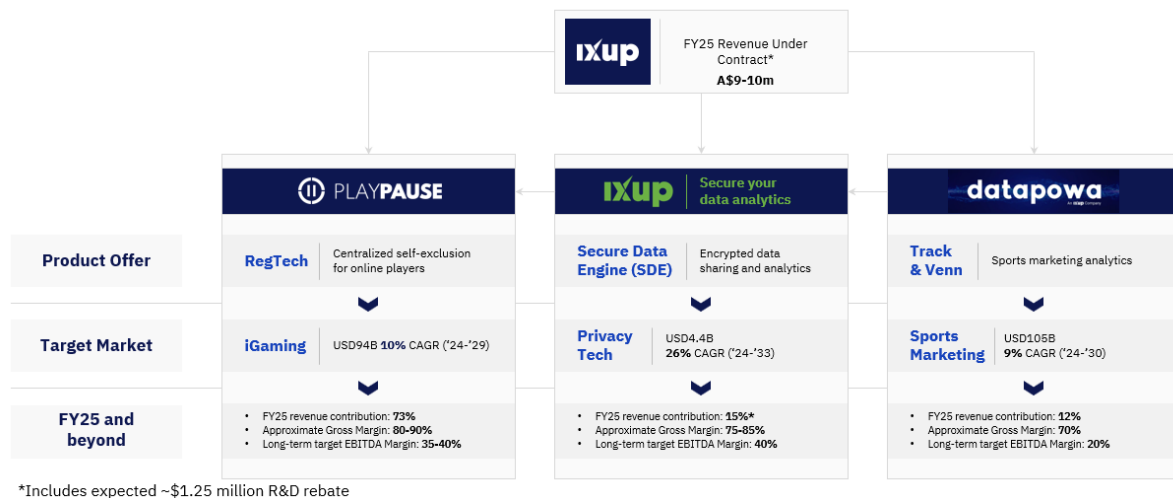


30 October 2024

Appendix 4C & Quarterly Activities Report

Major North American RegTech Contract Win Underpins Strong Quarter of Delivery and Pipeline Growth

IXUP Limited (ASX: IXU) (“IXUP” or “the Company”), an innovative technology company focused on collaborative and secure data analytics, today lodged its Appendix 4C Report and provided a review of the Company’s progress for the first quarter of the financial year ending 30 September 2024 (Q1 FY25).



Q1 Highlights:

RegTech Division

- IXUP awarded A\$10 million online gambling self-exclusion contract in Ontario, Canada.
 - IXUP entered the North American market, having secured, in conjunction with its North American partner IC360, a strategically important contract to provide the self-exclusion register for the Province of Ontario, Canada’s largest gambling market.
 - The contract has a total estimated contract value of over A\$10 million over an initial 5-year contract term with a further three, one year contract extensions.
 - The contract, which was won in a highly competitive process, has commenced IXUP’s first revenue in North America and the contract is expected to be cashflow accretive to IXUP from year one of operation.
 - The contract was awarded to IXUP and IC360 by Ontario’s online gaming government agency, iGaming Ontario and highlights a significant and early benefit from the commercial partnership entered into between IXUP and IC360 in April 2024 and is considered highly strategic for IXUP & IC360 as it secures IXUP’s entry into the North American gambling player protection market.
 - The North American market is expected to offer similar contract opportunities in the near future for which IXUP, in conjunction with IC360, now considers itself ideally positioned.
- BetStop™ –the National Self Exclusion Register continues to perform well, with the following key milestones reported for the first 12 months of operation;
 - Over 28,000 users enrolled
 - Over 15 billion checks performed
 - 100% system uptime
 - Average response times of <5 milliseconds per check
 - Awarded Regulatory Excellence Award at the International Regulatory Awards event in Rome last week.
- RegTech Pipeline Update

- IXUP currently operates the world's only technologically advanced commercial CSE solution in Australia and after the successful contract win in Ontario, Canada, IXUP (in conjunction with IC360) is now developing the world's second.
- IXUP is actively qualifying and responding to a pipeline of potential CSE opportunities, including in North America and other jurisdictions, with IXUP's market leading solution, credible reference sites and proven and scalable technology.
- IXUP is also exploring the application of its CSE technology to land-based self-exclusion opportunities, which the Company believes are a logical extension of its existing online gambling CSE solutions.
- Subsequent to quarter end (on the 23rd October), the ACMA received the Regulatory Excellence Award, for the launch of BetStop, at the International Regulatory Awards in Rome.

Secure Data Engine (previously called Core Technology Division)

- Multi-year agreement finalised to deploy IXUP's Secure Data Engine (SDE) technology integrated with Microsoft Azure for the Shared Environmental Analytics Facility (SEAF) project in Western Australia
 - IXUP executed a multi-year contract with the Western Australian Biodiversity Science Institute (WABSI) to deploy its SDE Technology, in conjunction with Microsoft and involving key market participants such as BHP, Rio Tinto and Fortescue, in the initial launch of the SEAF project.
 - SEAF is intended to improve the speed and quality of the environment impact assessment process by allowing decision-makers to analyse a cumulative data set built over time from industry and public sources. IXUP's Five Safes Governance framework and encryption technology allows all participants to share sensitive data safely under agreed terms.
 - The initial early-stage deployment of the SEAF project is planned to commence in two regions, the Pilbara and Cockburn Sound, and will test the core workflows of the technology using constrained data points.
 - Discussions regarding the potential expansion of the project beyond the initial two regions is planned to be undertaken post successful deployment which is aimed at proving the economic benefits of the solution at a broader scale.
 - The contract also positions IXUP for potential further national and global opportunities in both secure environmental data collaboration applications as well as non-environmental data sharing opportunities.

datapowa Division

- During the quarter datapowa successfully completed its first TRACK project with Hockey Australia. This project focused on the measurement and valuation of broadcast and social media exposure for the Hockey One 2023 Season league sponsor and the men's and women's team jersey sponsors.
- datapowa is now a registered supplier for services to Dentsu Sports and completed its first social media and broadcast TRACK project, covering the exposure of an arena title sponsor.
- datapowa won and completed a TRACK naming rights valuation project for a prominent USA university covering its American football & basketball arenas' naming rights.
- In addition to the new contract wins and renewals for the TRACK product, the business also continues to develop a deep pipeline of potential sales opportunities for the VENN product, including a global sports agency who is exploring offering the VENN solution to its client base.

Corporate Highlights

- IXUP now has >A\$9m of revenue under contract (including the Company's expected R&D rebate), with multiple additional sales contracts in advancing stages of IXUP's sales pipeline.
- In Q1FY25, IXUP's cash burn rate was reduced substantially compared to the previous corresponding period, due to a mix of substantial cost reductions and revenue growth. Additional measures are currently being implemented which are expected to see the annual cost base to have reduced by a total of 20% in FY25, compared to FY24, at a time when the Company's revenue is expected to increase further.
- IXUP continues to assess potential M&A opportunities within the global RegTech market

- The global RegTech market is highly fragmented and no clear leader exists – despite evidence that regulators are increasingly enacting new frameworks to manage the impact of iGaming adoption on communities.
- By virtue of IXUP's reputation, partnerships and product quality, IXUP believes it is in a unique position enabling it to contemplate accretive M&A opportunities which would enhance its current market position, and to potentially offer a range of responsible gambling technologies across the full life cycle of the problem-player journey.
- IXUP believes that there is strong commercial merit in developing a strategy that offers multiple complementary gambler player protection technologies to regulatory customers and gambling operators who would benefit from sourcing multiple products from one credible supplier.
- IXUP will update the market as any potential M&A opportunities progress to a more advanced stage, noting that IXUP will apply its strict acquisition criteria to any negotiations to ensure short term shareholder value accretion is paramount.

Financial Highlights

- IXUP successfully raised \$1.85 million via a share placement
 - A\$1.85 million placement to institutional and sophisticated investors, via the issue of 123.2 million shares on 3 October 2024.
 - Participants received one (1) free attaching unlisted option for every two (2) shares subscribed for, exercisable at A\$0.02 with a 12-month expiry from the date of issue
 - Proceeds from the raising to be used primarily to enhance IXUP's sales pipeline and advance sales conversion activities as well as facilitate ongoing business and cost base transformation.

IXUP Awarded A\$10 million online gambling self-exclusion contract in Ontario, Canada

On 2nd August 2024, IXUP announced that, in conjunction with its North American partner IC360, it had been awarded an initial 5-year contract to provide an online gambling centralised self-exclusion (CSE) platform for the Canadian province of Ontario.

The contract was awarded to IXUP and IC360 by Ontario's online gaming government agency, iGaming Ontario (iGO), after a comprehensive Request for Proposal (RFP) process to provide a new state-of-the-art CSE which will enable the effective self-exclusion of problem gamblers from the Ontario online gambling market.

This contract complements IXUP's existing operation of Australia's BetStop™ – the National Self Exclusion Register, which was developed, deployed and has been successfully operated by IXUP since August 2023, and which has completed over 15 billion checks in its first 12 months of operation.

This contract win positions IXUP and IC360 as a leading provider of CSE solutions in the North American market, which is expected to offer a number of similar contract opportunities in the near future.

Overview of the iGO contract

The contract was awarded to IXUP and IC360 via a recently established special purpose Delaware registered Joint Venture entity, which executed on the contract with iGO in line with the Commercial Partnership Agreement signed between the companies in April 2024¹.

The Joint Venture arrangement will see IXUP and IC360 share the revenue and profit based on the respective provision of technology and resources which are required to successfully fulfill the contract. All technology aspects of the CSE solution will be developed, deployed and overseen by IXUP, with operations of the Ontario CSE to be undertaken jointly by IXUP and IC360.

Other key contract elements include²:

¹ Please refer to ASX Announcement dated 3rd April 2024.

² For additional detail, please refer to ASX Announcement dated 2nd August 2024.

- Contract term: 5 years with further three, one year contract extensions
- Total contract value: CAD\$9.5 million (>A\$10.5 million) over the initial 5-year term of the contract.

Regtech division surpasses 28,000 users in first 12 months of operation; remains positioned for additional growth

After 12 months of operation, BetStop™ – The National Self Exclusion Registry, has achieved significant milestones, including over 28,000 registered users, 15.8 billion self-exclusion checks, and 100% system uptime. The system delivers average response times under 5 milliseconds per check.

This project, operated by IXUP under contract with the Australian Communications and Media Authority (the ACMA), aims to protect individuals from the harms of online gambling. The platform allows Australians to easily self-exclude from all licensed online wagering services for periods ranging from three months and up to a lifetime.

Multi-year agreement finalised to deploy IXUP's Secure Data Engine (SDE) technology integrated with Microsoft Azure for the Shared Environmental Analytics Facility (SEAF) project in Western Australia

On 11th September 2024, IXUP announced the finalisation and signing of the multi-year agreement with the Western Australian Biodiversity Science Institute (WABSI) to deploy its Secure Data Engine technology, as well as automated data sharing agreements powered by IXUP's Five Safes Governance Framework, as part of the Shared Environmental Analytics Facility (SEAF) project³.

SEAF was developed by WABSI and the Western Australian Marine Science Institution (WAMSI), who have been joined by the National Collaborative Research Infrastructure Strategy funded Australian Research Data Commons for the next stage of the program.

SEAF aims to enable secure, collaborative analytics on shared environmental data from multiple simultaneous stakeholders, to aid in the streamlining of environmental assessment processes. This process leverages IXUP's Secure Data Engine and Five Safes Governance Framework within the Microsoft Azure environment.

This initial deployment represents a measured launch of the SEAF project, currently funded for the two important regions of the Pilbara and Cockburn Sound. IXUP notes that the potential rollout to additional regions in Western Australia requires confirmation of successful deployment in the two initial regions, plus confirmation of additional funding.

The initial deployment and contract with WABSI is for a minimum term of two years, with aggregate, high margin license fee revenue to IXUP being a minimum of AUD \$240,000. IXUP considers this fee to represent a small portion of the potential license fee revenue that could be earned by IXUP under a broader expansion of the SEAF project, as well as being lower than what would be achieved under a standard commercialised deployment.

IXUP expects its involvement in this initiative to enhance sales prospects and pipeline growth across the IXUP business, enabled by a high-profile reference site and demonstrated application of its technology.

Key Contract Terms⁴

The SEAF project utilises IXUP's secure data engine technology as well as automated data sharing agreements powered by IXUP's Five Safes Governance Framework.

³ Refer to ASX Announcement dated 26th August 2024 for additional details.

⁴ For additional detail, please refer to ASX Announcement dated 11th September 2024

Counterparty: WABSI
Length of Contract: 2 years
Aggregate license fee revenue: Minimum of AUD \$240,000



Western Australian EPA Deputy Chair, Lee McIntosh, presenting at the formal launch of the SEAF project in Western Australia on Monday 26th August 2024

Corporate Update

RegTech Pipeline Update

IXUP believes it is in a unique market position for the provision of global CSE solutions, as it currently operates the only technologically advanced commercial CSE solution in the world (in Australia) and after the recent contract win in Ontario, Canada, IXUP is now developing the world's second.

These contracts are viewed with significant profile within the global gambler player protection market and have crystallised several inbound enquiries for potential new CSE contract opportunities that IXUP is actively qualifying and responding to. This pipeline of potential CSE opportunities includes opportunities in North America and other global jurisdictions, and while these opportunities are expected to be competitive processes, IXUP believes it is the only party with credible reference sites and proven and scalable technology, which positions the Company uniquely amongst its potential competitors.

In addition to opportunities for further online gambling CSE solutions, IXUP is also exploring the application of its CSE technology to land-based self-exclusion opportunities, which the Company believes are a logical extension of its existing online gambling CSE solutions. IXUP is aware of several regulators of land-based gaming applications which are considering the introduction of CSE solutions which protect problem gamblers "on premise", for which IXUP believes its core online CSE solution is readily adaptable. These opportunities also present the possibility that IXUP could develop an "omni-

channel” CSE solution spanning online and on-premise, which would more fully protect gamblers at the various gambling points within the community.

Ongoing assessment of M&A opportunities

iGaming is a multi-billion-dollar global market expected to grow at double-digit CAGR for the coming decade and is experiencing rapid player adoption in all geographies where it is introduced. Regulators are reacting to this growth and are actively investing in a range of player protection measures, a dynamic that has attracted investment and encouraged multiple new entrants at various stages of the gambling player protection life cycle. Opportunities for IXUP to undertake accretive M&A in RegTech are now consequently presenting. These opportunities have the capability to not only consolidate IXUP’s position in the market, but also to significantly accelerate value. For this reason, IXUP is actively qualifying a range of potential targets.

The Company is also reviewing its long term strategy and is continually considering options to divest assets that are not aligned with IXUP’s long term strategic aims.

Cost Reduction Initiatives

IXUP has undertaken a comprehensive program to more effectively balance expenses against revenue and the various qualified forward opportunities. This has resulted in overall cash burn reducing substantially over the prior quarter and also over the same quarter in the prior year, driven by material cost reductions and revenue growth.

Completion of \$1.85 million share placement

In September, IXUP completed a share placement, which raised a total of \$1.85 million before costs.

The placement was completed to professional and sophisticated investors via the issue of 123.2 million fully paid ordinary shares (Shares) on 3 October 2024 at a price of \$0.015 per share (Placement). The Placement received strong support from new and existing institutional and sophisticated investors. The Placement was undertaken under existing capacity under ASX Listing Rule 7.1.

Participants also received one (1) free attaching unlisted option for every two (2) shares subscribed for exercisable at A\$0.02 with a 12-month expiry from the date of issue under ASX Listing Rule 7.1

IXUP will use the proceeds from the Placement to accelerate growth through pipeline development and conversion, facilitate ongoing business and cost base transformation, as well as develop additional commercial capabilities. Proceeds from the Placement will also be applied general working capital and the costs of the Placement

Q4 FY24 Financial Update

Net cash outflows from operations were \$1.034 million for the quarter.

Cash, unused finance facilities and security deposits at the end of the quarter totaled \$338,519, noting the completion of a capital raising prior to the end of the quarter which raised \$1.85 million (before costs).

The Company also anticipates the receipt of an R&D rebate in coming months which is expected to be of a similar quantum to that received in the FY24 financial year (which totaled \$1.3 million).

Receipts from customers for the quarter totaled \$2.06 million. The material expense items of Staff Costs and Administration & Corporate Costs, being \$1.70 million and \$1.21 million respectively. Pass through costs (Reported as part of Corporate Costs), which relate to the operation of BetStop, equated to \$709k for the quarter.

Net cash outflows from investing activities were \$334 for the quarter.

Net cash outflows from financing activities were \$7,003 for the quarter.

Directors, being related parties of the Company, were paid remuneration in the amount of \$40,821 during the September quarter. No other related party payments were made.

The Board and Management remains focused on disciplined cash management and have now undertaken a round of additional efficiency gains across the organisation which continue to “right-size” the expense base of the Company as it seeks to capitalise on opportunities and deliver organic and potential in-organic growth opportunities.

-ENDS-

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

For enquiries regarding this release please contact:

IXUP

Mr Al Watson
Chief Executive Officer
contact@ixup.com

About IXUP

IXUP Limited (ASX: IXU) (pronounced ‘eyes up’) is a pioneering technology company with a world class suite of software products that facilitate the secure sharing and analysis of sensitive information using advanced security technology. The Company’s Secure Data Collaboration Suite of products represent 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. These data collaboration products are 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

IXUP is also the developer and operator of BetStop - National Self Exclusion Register™, under exclusive contract with the Commonwealth Government of Australia via the Australian Communications and Media Authority (ACMA). BetStop - the National Self Exclusion Register allows Australians to easily self-exclude from all licensed interactive wagering services for a minimum of 3 months and up to a lifetime.

To learn more, please visit: www.ixup.com. IXUP’s registered address is Level 11, 201 Miller Street, North Sydney, NSW 2060.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

IXUP Ltd

ABN

85 612 182 368

Quarter ended ("current quarter")

Sep-24

Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
1. Cash flows from operating activities			
1.1 Receipts from customers		2,063,779	2,063,779
1.2 Payments for			
(a) research and development		(71,550)	(71,550)
(b) product manufacturing and operating costs		(65,038)	(65,038)
(c) advertising and marketing		-	-
(d) leased assets		(54,023)	(54,023)
(e) staff costs		(1,707,126)	(1,707,126)
(f) administration and corporate costs		(1,210,528)	(1,210,528)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		9,953	9,953
1.5 Interest and other costs of finance paid		-	-
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	-
1.8 Other		-	-
1.9 Net cash from / (used in) operating activities		(1,034,533)	(1,034,533)
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		(334)	(334)
(d) investments		-	-
(e) intellectual property		-	-
(f) other non-current assets		-	-

Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(334)	(334)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(4,196)	(4,196)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(2,806)	(2,806)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(7,003)	(7,003)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,097,952	1,097,952
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,034,533)	(1,034,533)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(334)	(334)

Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(7,003)	(7,003)
4.5	Effect of movement in exchange rates on cash held	(778)	(778)
4.6	Cash and cash equivalents at end of period	55,305	55,305

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A	Previous quarter \$A
5.1	Bank balances	55,305	1,097,950
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other	283,214	283,214
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above). As at 30 September 2024 IXUP's cash, term deposits and security deposits at the end of the quarter totalled \$338,519.	338,519	1,381,164

6.	Payments to related parties of the entity and their associates	Current quarter \$A
6.1	Aggregate amount of payments to these parties included in item 1.2	(40,821)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
<i>"Notes</i> <i>6.1 Directors, being related parties of the Company, were paid remuneration in the amount of \$40,821 during the September quarter. No other related party payments were made."</i>		

7.	Financing facilities	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
7.1	Loan facilities	18,358	18,358
7.2	Credit standby arrangements	-	-
7.3	Other	283,214	-
7.4	Total financing facilities	301,572	18,358
7.5	Unused financing facilities available at quarter end		283,214
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. St George Term Deposit \$50,000, interest rate 4.80% p.a., maturity date 09/10/2025. This Term Deposit secures credit card facilities. A security deposit of \$42,941 related to office space leased in North Sydney is being held by Sydney Harbour Federation Trust. A security deposit of \$190,273 related to office space leased on North Sydney is being held by St George to secure the bank guarantee. Loan Facility is with NatWest in the UK, 100% is secured by the UK government under the Bounce Back Loan Scheme and is repayable 2026. No repayments or interest are charged in the first year, after which interest is charged at 1.5% p.a.. Repayments began in June 2021.		

8.	Estimated cash available for future operating activities	\$A
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,034,533)
8.2	Cash and cash equivalents at quarter end (item 4.6)	55,305
8.3	Unused finance facilities available at quarter end (item 7.5)	283,214
8.4	Total available funding (item 8.2 + item 8.3)	338,519
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.33
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions: 8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? Answer: The Company expects its net operating cash outflows to continue to reduce due to recently contracted revenue and R&D refund due in Q2. 8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? Answer: On the 26th of September, the Company announced it had successfully raised \$1.85m via a share placement, which is settled on the 3rd of October 2024.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes. Forecast revenue is expected to support the cost base and the board expects the company to meet its business objectives.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:30 October 2024

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.