



ASX ANNOUNCEMENT

26 July 2022

CPT PROVIDES POSITIVE FUNDING AND OPERATIONAL UPDATE

Further to its announcement on 1 July 2022, the Board of Cipherpoint Limited [ASX:CPT] (**CPT or the Company**) provides the following further update.

Funding

The Company successfully received all funds from its placement of \$150,000 and the issue of convertible notes raising a further \$800,000. An EGM will be held shortly to among other things approve the conversion of the convertible notes and the issue of options attached to the placement and convertible note. It is likely Company's AGM will be held concurrently.

Cost Reduction Program

The Company's cost reduction program has achieved considerable momentum with over \$1m in annualised costs having been identified and removed without any material adverse impact on the business. Up to a further \$400,000 in costs are being targeted in a second phase of reductions.

Board and Management Team

As part of its cost reduction initiatives the Board announces the following changes to Board arrangements and management resourcing.

1. Board

The Board currently consist of Mr Ted Pretty, Chairman and Mr Steven Bliim both as non-executive directors and Mr Graham Mirabito all of whom have suspended directors fees. To support management efforts in the short-term Mr Graham Mirabito has also agreed to work in an executive director capacity for no remuneration to focus his extensive experience skills and sales and marketing knowledge into the Company's businesses.

2. Leaner management structure

The Board advises that existing Head of Product, Mr. Hugh Stodart, will take over day-to-day responsibility for the Brace168. Brace168 founders Greg Bunt and Matt Miller will transition from full-time employees at the end of August to independent contractors continuing their relationship with Brace168 thereafter as members of its **Customer Advisory Council**. They will be supporting existing customers and will act as channel partners referring new business to Brace168 on terms usual for such arrangements. Mr Mark Hitchcock COO of VITCS (Tasmania) will continue in his role.

ISO 27001 Certification Renewal

The Company is also pleased to advise that Brace168 has achieved renewal of its ISO 27001 certification for Information Security Management System Requirements. ISO certification is regarded as a critical standard by enterprise and government customers alike.

VITCS

The Company is pleased to advise that Mr Mark Hitchcock has met and exceeded the first performance target for his earn out arising from the acquisition of VITCS in Tasmania. The timing of compensation for meeting the target is under discussion with the Company.

Audited Annual Financial Statements

The Company has finalised its annual financial statements and Annual Report for the year ended 31 March 2022. Both were lodged on 25 July 2022.

Potential Acquisition

The Company remains in discussion with two possible acquisition targets and further updates will be provided as when and if appropriate.

This release has been authorised by the Board.

Cipherpoint Limited (ASX:CPT)**Further information**

For further information, please visit <https://cipherpoint.com>

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