22 August 2018

ASX Announcement

Cirralto maintains early success of new ‘go to market’ strategy

Highlights:

- **Cirralto signs an additional 9 PoolBox contracts bringing the total to 24**
- **Contracted revenue of $450,000 booked**
- **Continued MYOB modernisation project success**
- **Commitments secured for $1.5 million capital raising**

Cirralto Limited (“**Cirralto**” or the “**Company**”) is pleased to provide a further update on the Company’s progress implementing its enhanced “go to market” strategy. The Company is continuing the process of re-contracting its existing customer base across to the ‘Direct to Cirralto’ engagement as it moves forward.

After 3 weeks operating under the improved customer engagement strategy, 24 PoolBox contracts have been signed, bringing the total deal value to $450,000 of contracted revenue. The process of re-signing the existing customer base is proceeding well and the goal to achieve 100% re-signing (equating to +60 contracts) by the end of September is on track. In parallel with the re-signing efforts, Cirralto continues to engage with new PoolBox customers and has signed an additional 4 new contracts this week. It is expected that this will accelerate as the ramp up to the busy summer season commences during the spring months.

The implementation team continues to expand with the Company adding two new members to this team. They will be engaged in development and training functions to support the Company’s growing customer base.

The engagement in the digital modernisation space is also growing with an additional MYOB modernisation project signed in the past week, growing the total to three for this month. The Cirralto solution enables companies to transition from their legacy server based solutions to cloud based MYOB integrated solutions. This enables the customers to work much more efficiently in real time with much faster and more accurate information across all of their business systems. The internal goal is to sign a new contract in this space per month and so it is pleasing to see three new contracts already.

Capital Raising

As previously announced, the Company has secured commitments for a $1.5M capital raising to meet its working capital requirements and will shortly launch a rights issue to raise up to a further ~$1.5 million on the same terms. The rights issue is expected to be completed by the end of September.

The Company will continue to provide regular updates during the current period of transition to the enhanced customer engagement model.

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About Cirralto

Cirralto Limited (ASX: CRO) listed company that owns and operates technology assets and services that enable modernisation of business IT systems via the conversion, migration and management of server based legacy data and systems to the Cloud.