Cirralto raises ~A$2.7m via Placement to Institutional and Sophisticated investors to grow the Spenda Business Payments Services

CORPORATE DIRECTORY

Chairman

Peter Richards

Managing Director

Adrian Floate

Non-Exec Directors

Stephen Dale
Howard Digby

Company Secretary

Justyn Stedwell

Registered office

Suite 103, Level 1, 2 Queen Street, Melbourne VIC 3000

Telephone:

1300 682 108

Email:

shareholder@cirralto.com.au

ASX Code

CRO

Issued Capital

Shares: 1,177,573,052
Options: 145,300,000

Cirralto Limited (ASX: CRO) ("**CRO**" or the "**Company**"), a digital payments and software solutions company that makes processing B2B payments easier for its customers, has received applications to raise $2.712 million (before costs) under a placement to institutional and sophisticated investors at an issue price of A$0.01 per share ("**Placement**").

The Company had initially sought to raise $2 million under the Placement, but received strong demand from a large number of new institutional and sophisticated investors and as such, the Company has elected to accommodate a portion of the excess demand to raise and additional $712,000.

Demonstrating their support for the Company and its future operations, the Board and management of the Company have subscribed for (in aggregate) a total A$82,000 in the Placement. Director participation is subject to shareholder approval to be sought at the next general meeting of the Company.

Managing Director Adrian Floate commented "*The strong demand for this capital raise was very pleasing and I feel recognition of the investors' understanding of our payments tech and its position in the market. These funds coupled with the operational savings we have created by virtualising our organisation will be used to deliver a debt free balance sheet and provide working capital for growth. We are focused on growing our merchant base and capturing market share. The Board and I remain strongly supportive of the Company as demonstrated by our participation in this Placement*."

About the Placement

The Company will issue 271,200,000 fully paid ordinary Cirralto shares under the Placement. Except for the participation of the Board, no shareholder approval is required as the issuance of shares is within the Company's pre-approved placement capacity pursuant to the approval obtained by the Company's at its general meeting held on 24 July 2020 (Resolution 10).

The Placement issue price of A$0.01 per share represents a 23% discount to the previous closing price (A$0.013) on 07 August 2020 and a 14.7% discount to the 15-day Volume Weighted Average Price ("VWAP") of A$0.0117.

The funds raised will be used to support growth, additional payments product development, debt reduction, marketing, costs associated with the completion of the acquisition of Appstablishment and general working capital requirements.

As noted above, some of the new funds will be used to strengthen the Company's balance sheet and retire approximately A$1m in debt and debt related instruments (including the Obsidian Global Partners LLP Funding Facility).

In addition to the Placement, the Company is in the process of finalising an option entitlement offer to shareholders, details of which will be announced shortly.

Canary Capital and CPS Capital acted as joint lead managers to the issue and will receive a fee of 6% of the amount raised and 100m options exercisable at A$0.025 expiring on July 28, 2023.

Authorised by the Board of the Company.

14 August, 2020

<ends>

For Shareholder contact:

Please email: shareholders@cirralto.com.au

Or

Joe Durak at Canary Capital: jdurak@canarycapital.com.au

Telephone: (0414) 465 582

About Cirralto:

Cirralto Limited (ASX: CRO) is an ASX listed company that specialises in Business Payments products and software solutions. Cirralto delivers collaborative digital commerce solutions to enable the effective and seamless transfer of data from multiple, disparate software systems in one standardised technology solution. Cirralto has licensing agreements with third party software vendors that enable it to provide integrated SOE solutions to its customers.

For investors seeking information on the Company's activities that relate to marketing, customer events and other acknowledgement of customer activities, this information will be posted to the Company's news section of the website and on social media channels with the handle @GetSpenda and @Spenda , active on Twitter, LinkedIn, Instagram and the Facebook.