



TESSERENT

ASX ANNOUNCEMENT

Melbourne — 24 June 2019

TESSERENT SUCCESSFULLY COMPLETES \$2.1M PLACEMENT

- 46.7 million new shares to be issued to sophisticated & institutional investors at \$0.045 per share, a 10.9% discount to the five-day VWAP
- One free attaching option (\$0.05 expiring 19/3/20) for every two shares received as part of the placement
- Tesserent directors subscribe for \$300,000 of the total placement, subject to shareholder approval
- Funds raised to satisfy cash component of Rivium acquisition as well as providing general working capital

Tesserent Limited (ASX: TNT, Tesserent) is pleased to announce it has successfully completed a \$2.1 million placement (before costs) of new shares to fund the cash consideration associated with the acquisition of Rivium Pty Ltd as well as providing general working capital.

A total of 46.7 million new shares will be placed to sophisticated and institutional investors at \$0.045 per share, a 10.9% discount to the five-day volume weighted average price (VWAP). For every two shares received under the placement one free attaching option will be issued, with an exercise price of \$0.05 and expiring 19 March 2020. The options will be unlisted with an intention to seek their listing in due course.

Under the placement directors of Tesserent applied for \$300,000 worth of shares, the issue of which will be subject the shareholder approval at a general meeting to be determined. Taylor Collison acted as lead manager to the placement.

Rivium is one of Australia's most experienced specialists in consulting, implementation and managed services for the enterprise security solution Splunk and brings high profile customers spanning the government and private sectors.

Rivium possesses an established team that adds a Security Information Event Management (SIEM) and insider threat capability to Tesserent's suite of cybersecurity solutions. The company has offices across Victoria, New South Wales, Queensland and the ACT.

The acquisition, announced on 18 April 2019, will be earnings accretive from day one, with Rivium forecasting FY19 revenue of \$4.4m and an EBITDA of \$650,000. The total consideration for the acquisition is \$3.25 million, with \$1.495 million to be satisfied in cash and the remainder in Tesseract scrip (17.55m shares at \$0.10 per share).

Julian Challingsworth, CEO of Tesseract said: “The acquisition of Rivium is the first under our growth strategy as we strive to establish Tesseract as the leading, end-to-end provider for cybersecurity products and services to the mid-tier. The support from new and existing investors in this capital raising highlights the confidence in Rivium and our overall strategy, and we thank these investors for their support.”

The issue of the fully paid ordinary shares under the placement was approved by shareholders of the Company at the General Meeting held on Friday 14 June 2019.

ABOUT TESSERENT

Tesseract provides enterprise-grade managed cybersecurity and networking services to corporate customers in Australia and internationally in the UK and Korea. With a 24/7 Security and Network Operations Centre, Tesseract delivers world-class Security-as-a-Service to medium and large organisations' around the globe. With a next generation end-to-end security and networking offer, Tesseract customers obtain state-of-the-art security and connectivity and complete peace of mind that their critical data and networks are secure and protected. Learn more at www.tesseract.com.

CONTACT

Please forward all investor related enquiries to Company Secretary.

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