1 February 2018

ASX ANNOUNCEMENT
QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2017

Highlights:

- Name and ASX code change from Motopia Limited (ASX: MOT) to Cirralto Limited (ASX: CRO) in November 2017
- Board upgraded the Company's target revenue for FY18 from $2.5M to $4.2M
- Circa 100% growth in revenue from previous year
- Strong growth forecast for remaining half year
- Letter of Intent (LOI) signed with Swedish smart payments company West International AB
- Contracts signed with a number of new customers including national franchise groups
- Rollout of eCommerce and modernisation solutions ongoing
- Pilot projects ongoing with more national franchise groups and retail operations joining the pilot phases
- Partnership with Telstra continued to deepen with engagement over several vertical markets
- Sales strategy development continued into new channels with strong engagement into accounting and financial management software providers
- Due diligence continued into the development of a separate business unit to take advantage of merchant acquiring and payments opportunities

Corporate:

- Mr Peter Richards appointed as Non-Executive Chairman, replacing Mr Marcus L'Estrange
- Mr Marcus L'Estrange to remain on as a Non-Executive Director
- Sales Revenue of approximately $383,000 during the December Quarter.
- $252,000 cash position at 31 December 2017 with circa $263,000 in accounts receivable.

Operations Overview

The past quarter has seen the company further establish its operating footings with the addition of key resources and a continual development and growth of addressable market is realised. Following the successful acquisition and integration of Cirralto with Motopia it was agreed by vote at the November AGM that Motopia would be renamed to Cirralto.

The quarter bought further growth in our sales activities with our directly addressable sales pipeline growing significantly as the Poolbox, convenience retail, Independent Software Vendor and distributor centric digital commerce strategies enter commercial phases. Immediate Revenue for the quarter was slightly below target however expenses were also lower than expected so operationally revenue to expense ratio was 9% better than forecast. The Company remains on track to meet the upgraded revenue target of $4.2M for FY18.

In response to strong demand from several Enterprise Retail chains The Poolbox product went live with the initial deployments providing both valuable in field experience for the implementation team and referenceable customer stories. The team will start 2018 with a set of contracts under negotiations that will secure the companies profitably for years to come.

March Quarter Plans:

- As the summer season ends, the Cirralto team will focus on volume based implementation of commercial solutions across the Australian and New Zealand markets.
- Several digital commerce projects will go live in the coming quarter in the Enterprise Retail and Food service segments.
- The company will further expand its resources in both Perth and Sydney as commercial endeavours will dictate a need for more support and implementation personnel to service the growing customer base.
- True to forecast, achieve operational profitability in March with a diversified set of in market solutions driving the future success of the company.
- Sign contracts that will deliver recurring revenues that will ensure profitability into the future.
- Make further announcements regarding the company's entry into the terminal and online payments markets.

Mike Mulvey**,** Chief Executive Officer, commented:

"It has been a successful December quarter with excellent progress made with new contracts, pilot programs and existing partnerships underway.

"As a result of these strong engagements and anticipated ramp up of new deals, the Board revised the company's FY18 target revenue to $4.2M from $2.5M.

"We also welcomed a highly skilled new Chairman, Mr Peter Richards to the Company.

"We look forward to delivering further newsflow throughout the March quarter, as Cirralto moves towards becoming the leading IT modernisation business in Australia for SME's."

Upgrade to FY2018 Revenue Target

During the quarter, the company confirmed that business is tracking well and provided the following updates:

- Pilot projects are ongoing and the results are pleasing with more National Franchise Groups and Retail Operations joining the pilot phases.

- Contracts have been signed with a number of new customers including national franchise groups and the rollout of eCommerce and modernisation solutions is ongoing.
- The engagement with Telstra continues to deepen with significant engagement over several vertical markets.
- Development of the Sales strategy continues into new Channels with strong engagement into Accounting and Financial Management software providers.
- Due Diligence continues into the development of a separate business unit to take advantage of Merchant acquiring and Payments opportunities.

As a result of these strong engagements and anticipated ramp up of new deals, the board revised the target revenue of $2.5M for FY18, to $4.2M.

Letter of Intent signed with Swedish smart payments company West International AB

Cirralto signed a Letter of Intent with Swedish listed company, West International AB (Nasdaq First North Stockholm: WINT), a technology provider of merchant payment solutions and services in the field of Point of Sale (POS) terminals and related transaction processing.

The LOI affords Cirralto, the opportunity to develop value added payment services and expand revenues within the incumbent customer base. The board also envisages expansion into the payments space will strengthen our partner relationships and accelerate new customer acquisition.

Work continues to scope and develop the landscape around this opportunity and it is expected that the Business Case will be considered by the Board during this quarter.

CORPORATE

Board Changes

Mr. Peter Richards joined the Board of Cirralto as Chairman, replacing Mr. Marcus L'Estrange. Mr. L'Estrange will continue to serve as a Non-Executive Director of the Company.

Mr Richards is an extremely well qualified independent director who currently sits on the following Boards: NSL Consolidated Limited (Non-Executive Director), Emeco Holdings Limited (Chairman and Non-Executive Director) and Graincorp Limited (Non-Executive Director).

He has held executive positions, domestically and internationally, including as Managing Director at Norfolk Group Limited and Managing Director at Dyno Nobel Limited during his career.

Mr. Richards has over 30 years of senior management experience with a range of global companies including British Petroleum (BP), Wesfarmers and Dyno Nobel. He was CEO of the latter from 2005 until its acquisition by Incitec Pivot for $2.6 billion in 2008. He has managed and implemented complex financial and corporate activities, and has significant exposure to the investment, broking and analyst community.

Mr. Shaun Melville also resigned as a Non-Executive Director during the quarter.

The Board would like to thank Mr. Marcus L'Estrange and Mr. Shaun Melville for their contributions to the Company.

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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.