CIRRALTO LIMITED
ACN 099 084 143

RIGHTS ISSUE
OFFER DOCUMENT

For a non-renounceable pro rata Rights Issue of New Shares at an issue price of $0.031 per Share on the basis of one (1) New Share for every eight (8) Shares held at the Record Date to raise up to approximately $1,502,896 before costs.

The last date for acceptance and payment in full is 5.00 p.m. AEST on Tuesday 18 September 2018.

This Offer of Shares is made on the terms and conditions of the Rights Issue set out in this Offer Document and the accompanying Entitlement and Acceptance Form.

Important Notice

This document is not a prospectus or other disclosure document under the Corporations Act. It does not necessarily contain all of the information that a prospective investor may require to make an investment decision and it does not contain all of the information which would otherwise be required to be disclosed in a prospectus or other disclosure document.

This is an important document and requires your immediate attention. It should be read in its entirety and before you decide whether to participate in the Rights Issue.

Table of Contents

1. CORPORATE DIRECTORY 3
2. IMPORTANT INFORMATION 4
3. CHAIRMAN'S LETTER 7
4. DETAILS OF THE RIGHTS ISSUE 9
5. PURPOSE AND EFFECT OF RIGHTS ISSUE 14
6. OTHER INFORMATION 17
7. RISKS 19
8. APPLICATION FOR NEW SHARES 22
9. GLOSSARY OF TERMS 26

1. CORPORATE DIRECTORY

Company	Cirralto Limited
ACN	099 084 143
Directors	Peter Richards – Non-Executive Chairman Marcus L'Estrange – Non-Executive Director Michael Mulvey – Managing Director Adrian Floate – Executive Director Stephen Dale – Non-Executive Director
Company Secretary	Justyn Stedwell
Registered Office	1B/205-207 Johnston Street, Fitzroy VIC 3065
Telephone	+61 3 9191 0135
Facsimile	+61 3 8678 1747
Share Registry	Automic Registry Services
Auditor	Nexia Perth Audit Services Pty Ltd
ASX Code	CRO (Shares)

2. IMPORTANT INFORMATION

2.1 Important Notice

It is important to ensure that you read this Offer Document and accompanying Entitlement and Acceptance Form in full before deciding to participate in the Rights Issue.

The Corporations Act allows listed companies to make a pro-rata rights issue of securities to existing Shareholders without a disclosure document. The Offer to which this Offer Document relates complies with the requirements of section 708AA of the Corporations Act as notionally modified by ASIC Class Order 2016/84 and accordingly, this Offer Document is not required to be lodged or registered with ASIC.

This Offer Document has been prepared in accordance with section 708AA of the Corporations Act. The Offer Document is provided for information purposes only and is not a prospectus or other disclosure document for the purposes of the Corporations Act. Accordingly, this Offer Document does not necessarily contain all of the information, which a prospective investor may require to make an investment decision and it does not contain all of the information which would otherwise be required to be disclosed in a prospectus or other disclosure document.

This Offer is made without taking into account the individual investment objectives, financial position, taxation situation or particular needs of each Eligible Shareholder. In deciding whether to take up the Offer of New Shares under the Rights Issue, you should seek your own independent financial, legal or taxation advice in respect of the Offer. The Company is not licensed to provide financial product advice in relation to the Company's Shares or any other financial products. No cooling off regimes apply to the acquisition of the New Shares under the Rights Issue.

The information in this Offer Document is not intended as financial advice. Moreover, none of the information in this Offer Document is directed to any person in any country in which the distribution of such information is unlawful.

If you apply for New Shares under the Rights Issue by making a BPay® payment or completing and returning the Application Form with a cheque or money order, you are accepting the risk that the market price of Shares may change. This means it is possible that, up to or after the date you receive New Shares under the Rights Issue, you may be able to buy Shares at a lower price than issued under the Rights Issue.

The Company reserves the right to reject any Application for New Shares under the Offer which the Board believes is completed by:

a) a U.S. Person or a person acting for the account or benefit of a U.S. Person; or

b) a person within or acting for the account or benefit of any person located within, the United States, (collectively, **Prohibited Persons**); or

c) a person within, or acting for the account or benefit of any person located within, another jurisdiction where, in the reasonable opinion of the Board, it would be unlawful or impracticable for the Company to issue the New Shares under the Rights Issue.

The New Shares offered under the Rights Issue have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any U.S. state, and therefore, may not be directly or indirectly, offered, sold or resold to Prohibited Persons.

Persons or nominees acting for the account or benefit of any person are specifically prohibited from extending the Offer to persons who are Prohibited Persons and are not themselves eligible to participate if they act for the account or benefit of a Prohibited Person.

2.2 Defined terms

Certain terms and abbreviations used in this Offer Document have defined meanings which are explained in the Glossary of Terms at the end of this Offer Document.

2.3 Regular reporting and disclosure

The Company is a disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. All announcements made by the Company are available from the ASX website www.asx.com.au (ASX code: CRO). The contents of any ASIC or ASX filing are not incorporated into this Offer Document. This Offer Document should be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should have regard to the publicly available information in relation to the Company before making a decision whether to invest.

2.4 Forward-looking statements

This Offer Document may contain certain "forward-looking" statements. The words "intends", "expected", "proposed", "forecast", "target", and "will" and other similar expressions are intended to identify forward looking statements. Forward- looking statements, opinions and estimates provided in this Offer Document are based on assumptions and contingencies which are subject to change without notice but are considered reasonable as at the date of this Offer Document. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. There can be no assurance that actual outcomes will not differ materially from these statements. Forward looking statements are subject to various risk factors that could cause actual results to differ materially. These risk factors are summarized in section 7 of this Offer Document.

2.5 Privacy Act

If you complete the Entitlement and Acceptance Form accompanying this Offer Document you will be providing personal information to the Company albeit directly to its Share Registry. The Company will use that information to assess your Application.

The information may also be used for other purposes from time to time and may be disclosed to persons inspecting the register, regulatory bodies (including The Australian Taxation Office), authorised securities brokers, print service providers, mail houses and the Share Registry itself.

You can access, correct and update the personal information that the Company holds about you. Please contact the Share Registry on 1300 288 664 if you wish to do so.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended) and the Corporations Act. If you do not provide the information required to be completed on the Entitlement and Acceptance Form the Company may not be able to accept or process your Application.

2.6 Financial Amounts and Time

All references to currency are to Australian dollars and all references to time are to AEST time, unless otherwise indicated.

2.7 Enquiries

If you have any enquiries in relation to the Offer please contact the Company Secretary, Justyn Stedwell, on +61 (0) 3 9191 0135 during normal business hours.

3. CHAIRMAN'S LETTER

Dear Shareholder,

Cirralto is pleased to provide Eligible Shareholders the opportunity to participate in a non-renounceable pro rata Rights Issue. The Rights Issue provides Eligible Shareholders with an opportunity to further participate in the growth of the Company by acquiring New Shares without brokerage cost.

This is an important Right because it enables existing shareholders to avoid dilution of their interest in the Company.

The Offer will raise up to $1,502,896 before costs if fully subscribed. Funds raised from the Offer will be used for the working capital required to execute its new "go to market" strategy involving direct engagement with its customers. This direct customer engagement provides Cirralto with opportunities to complement the core software as a service (SaaS) solution by offering hardware and other services to its customers, potentially increasing the value of each contract entered into.

In addition, Rights Issue proceeds will be used to:

- Fund further growth in the operations team;
- Fund further product development to enhance the solution set; and
- Continue to fund the initial testing and subsequent development of the potential Payments solution.

The Offer will provide Eligible Shareholders with the opportunity to subscribe for one (1) New Share for each eight (8) Shares held on the Record Date at the issue price of $0.031 (3.1 cents) per New Share.

The Rights under the Offer will be non-renounceable which means that Eligible Shareholders who do not wish to take up all or some of their Entitlement under the Offer are not able to sell their Rights. Please note the Offer is only available to those Shareholders with a registered address in Australia or New Zealand.

Eligible Shareholders that subscribe for their full Entitlement under the Offer may also subscribe for any number of Shortfall Shares by completing the relevant section of the Entitlement and Acceptance Form. Shortfall Shares will be issued at the same price and on the same terms as the New Shares and an Eligible Shareholder may only make an application for Shortfall Shares if they apply for their maximum Entitlement. In the event of oversubscriptions for Shortfall Shares, Shortfall Share applications will be scaled back by the Company in its absolute discretion. Following acceptance Shortfall Share Applications, the Directors retain the right to place any remaining Shortfall from the Offer.

The details of the Rights Issue are set out in this Offer Document. I encourage Shareholders to read this Offer Document in its entirety and consider participating in the Offer. The Rights Issue is not currently underwritten but Directors will retain the right to place any Shortfall at their discretion.

Please note that the Closing Date for acceptances is 5.00 p.m. AEST on 18 September 2018. If you wish to participate in this Offer it is essential that your Application is received by the Share Registry by this time.

Hartleys Limited has been engaged to manage the Rights Issue and provide corporate advisory services to the Company.

On behalf of the Board of Directors, I would like to take this opportunity to thank all Shareholders for your continued support and we look forward to further progress in 2018.

Yours faithfully,

Peter Richards
Chairman

4. DETAILS OF THE RIGHTS ISSUE

4.1 The Offer

The Company is making a non-renounceable pro rata offer to Eligible Shareholders to apply for New Shares. Each Eligible Shareholder is entitled to apply for one (1) New Share for each eight (8) Shares held on the Record Date at an issue price of $0.031 (3.1 cents) per New Share. Fractional entitlements will be rounded up to the nearest whole number of Shares. An Entitlement and Acceptance Form setting out your Entitlement to New Shares accompanies this Offer Document.

All Eligible Shareholders who accept the Offer will receive their Entitlement in full. To the extent that an Eligible Shareholder does not take up their Entitlement (or a portion of it), the interest of that Shareholder in the Company will be diluted.

Pursuant to the Rights Issue, the Company will issue up to approximately 48,480,528 New Shares to raise up to approximately $1,502,896 before costs.

The Offer is being made without a prospectus in accordance with section 708AA of the Corporations Act.

4.2 Indicative timetable

The key dates for the Rights Issue are set out below:

Event	**Date**
Announcement of Entitlements Issue and Appendix 3B lodged with ASX	Thursday, 16 August 2018
Rights Issue Offer Document and cleansing notice lodged with ASX	Friday, 24 August 2018
Notice to Shareholders containing information required by Appendix 3B	Monday, 27 August 2018
Ex date – the date on which Shares commence trading without the entitlement to participate in the Entitlements	Tuesday, 28 August 2018
Record Date – the date for determining entitlements of Shareholders to participate in the Entitlements Issue	Wednesday, 29 August 2018
Dispatch of Offer Document and Entitlement and Acceptance Form	Monday, 3 September 2018
Entitlements Issue opens for acceptances	Monday, 3 September 2018
Closing Date	Tuesday, 18 September 2018

Notification to ASX of under subscriptions	By Friday, 21 September 2018
Allotment of New Shares	By Tuesday, 25 September 2018

This timetable is indicative only and subject to change. Subject to the Corporations Act and the ASX Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date. The Directors also reserve the right not to proceed with the Offer (or any part of it) at any time prior to allotment. In that event, any application money received will be returned without interest.

4.3 Eligible Shareholders

Eligible Shareholders are those Shareholders who:

- are registered as a holder of Shares at 7.00pm (AEST) on the Record Date;
- have an address on the Company's share register in Australia or New Zealand;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an Offer under the Rights Issue.

4.4 Shareholders outside of Australia

This Rights Issue is not being made to any Shareholder who, as at the Record Date, has an address on the Company's share register outside of Australia or New Zealand.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than New Zealand) having regard to the number of overseas Shareholders, the number and value of New Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

No action has been taken to register or qualify the New Shares or the Rights Issue or otherwise to permit an offering of the New Shares in any jurisdiction outside Australia and New Zealand, including the United States. The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders with registered addresses in New Zealand to whom the Offer is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Shareholders who hold Shares on behalf of persons who reside outside Australia and New Zealand, are in the United States, or are U.S. Persons (as defined in Regulation S under the United States Securities Act of 1933 as amended) (U.S. Securities Act) (U.S. Persons) or who act for the account or benefit of a U.S. Person are not entitled to participate in the Rights Issue.

4.5 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws and regulations. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those foreign laws and regulations.

4.6 Director participation

Directors who are Eligible Shareholders may participate in the Rights Issue. Directors are not eligible to participate in any Shortfall Offer.

Each Director's interest in the Shares of the Company at the date of this Offer Document and their Entitlement is set out in the table below.

Director	Shares	Voting power (%)	Entitlement (Shares)	$
Marcus L'Estrange	34,444,111	8.88%	4,305,514	133,470.93
Peter Richards	1,000,000	0.26%	125,000	3,875.00
Stephen Dale	1,500,000	0.39%	187,500	5,812.50
Adrian Floate	38,260,312	9.82%	4,782,539	148,258.71
Michael Mulvey	Nil	Nil	Nil	Nil

4.7 Share rights

The New Shares issued under the Rights Issue will rank equally in all respects with existing Shares quoted on the ASX, with the same voting rights, dividend rights and other entitlements, from the issue date.

The Company will apply to ASX for official quotation of New Shares.

4.8 Costs of participation in the Rights Issue

No brokerage, stamp duty or other transaction costs will apply to the Application for, and issue of, New Shares under the Rights Issue.

4.9 Non-renounceable

The Rights Issue is non-renounceable and non-transferable so Eligible Shareholders cannot transfer their right to acquire New Shares under the Rights Issue to a third party.

4.10 Shortfall Offer

Any Entitlement not taken up by Eligible Shareholders will become part of the Shortfall Offer.

Eligible Shareholders are offered the opportunity to apply for any Shortfall Shares (e.g. all New Shares that other Eligible Shareholders choose not to subscribe for pursuant to their Entitlement).

Eligible Shareholders that subscribe for their full Entitlement under the Offer may apply for any number of Shortfall Shares by completing the relevant section of the Entitlement and Acceptance Form. Shortfall Shares will be issued at the same price and on the same terms as the New Shares and an Eligible Shareholder may only make an application for Shortfall Shares if they apply for their maximum Entitlement.

Shortfall Shares will only be issued if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. If the Company receives applications for Shortfall Shares that would result in the Offer being oversubscribed then the Company will not accept such oversubscriptions and will reject any applications at its absolute discretion.

Application monies received but not applied towards subscriptions for Shortfall Shares will be refunded as soon as practicable. No interest will be paid on Application Money held and returned. Furthermore, the Company will not issue Shortfall Shares where to do so would result in a breach of the Corporations Act or the ASX Listing Rules.

The Company will ensure that no person, entity or Shareholder will, through the allocation of Shortfall Shares, acquire a holding of, or (in the case of existing Shareholders) increase their holding to, an amount in excess of 19.99% of all the Shares on issue following the completion of the Offer.

The Directors reserve the right to issue or not to issue any Shortfall Shares at their absolute discretion.

At the absolute discretion of the Directors, subject to the Corporations Act and ASX Listing Rules, the Shortfall Offer may be extended to Non-Shareholders. Any offer to Non-Shareholders of Shares out of the Shortfall is a separate offer to this Offer Document and will remain open for up to three months following the Closing Date in accordance with the Listing Rules. Any Shares offered to Non-Shareholders out of the Shortfall will be at the same issue price and on the same terms as the New Shares.

4.11 Underwriting

The Rights Issue is not currently underwritten. However, an underwriter may be appointed at any time prior to the Closing Date. If an underwriter is appointed, the Company will advise the ASX by way of market announcement.

4.12 Closing Date

The Closing Date for acceptance of your Entitlement is 5.00 p.m. AEST on Tuesday, 18 September 2018. If you wish to participate in this Offer it is essential that your completed Entitlement and Acceptance Form along with your Application Money are received by the Company's Share Registry by the Closing Date.

The Company reserves the right to cancel the Rights Issue at any time prior to allotment of New Shares.

4.13 Allotment and Official Quotation of New Shares

Application will be made by the Company to ASX for official quotation of the New Shares within seven days of the date of this Offer Document. New Shares will be issued only after all Application Money has been received and ASX has granted permission for the New Shares to be quoted. Allotment of New Shares will take place as soon as practicable after the Closing Date and in accordance with the ASX Listing Rules.

If ASX does not grant permission for official quotation of the New Shares within three months after the date of this Offer Document, none of the New Shares will be granted and all Application Money will be refunded without interest.

5. PURPOSE AND EFFECT OF RIGHTS ISSUE

5.1 Amount to be raised

The Offer will raise up to $1,502,896 before costs if fully subscribed. The exact amount of funds raised from the Rights Issue will depend on the level of participation of Eligible Shareholders.

5.2 Use of funds raised

Funds raised from the Offer will be used for the working capital required to execute the Company's new "go to market" strategy involving direct engagement with its customers. This direct customer engagement provides Cirralto with opportunities to complement the core software as a service (SaaS) solution by offering hardware and other services to its customers, potentially increasing the value of each contract entered into.

In addition, Rights Issue proceeds will be used to:

- Fund further growth in the operations team;
- Fund further product development to enhance the solution set; and
- Continue to fund the initial testing and subsequent development of the potential Payments solution.

5.3 Impact of Rights Issue on Capital Structure

The below table sets out the current capital structure of the Company and the capital structure following the acquisition of Cirralto and the proposed capital raising.

Details	Shares to be issued	Total Shares on issue
Current Cirralto Shares on Issue		387,844,223
Shares issued under the Rights Issue	48,480,528	436,324,751
		Approximately 436,324,751

5.4 Potential dilution

The equity of existing Shareholders who take up their full Entitlement under Rights Issue will not be diluted as a result of the Offer. The equity of existing Shareholders who do not participate in the Rights Issue will be diluted. The equity of existing Shareholders who only take up part of their Entitlement will also be diluted, but to a lesser extent.

Where there is a Shortfall and a Shortfall Offer is made to Non-Shareholders, such Non-Shareholders may acquire an interest in the Company. In this circumstance, the equity which the Non-Shareholders acquire in the Company will depend on the level of existing Eligible Shareholders' participation in the Rights Issue.

The potential effect the issue of New Shares will have on the control of Cirralto is as follows:

a) if all Eligible Shareholders take up their entitlements under the Rights Issue, then the Offer will have no significant effect or consequence on the control of Cirralto;

b) if an Eligible Shareholder does not take up entitlements under the Rights Issue, then the shareholding interest of that shareholder in Cirralto will be diluted;

c) the shareholding interest of shareholders with a registered address outside of Australia and New Zealand will be diluted as such shareholders are not entitled to participate in the Offer; and

d) no shareholder will increase their voting power in the Company from below 20% to above 20% as a result of the Offer.

5.5 Nominee sale procedure

No nominee has been approved by the ASIC to act as nominee to sell the New Shares that might have otherwise been issued to Ineligible Shareholders.

Accordingly, Eligible Shareholders participating in the Rights Issue will not be able to rely on the exception allowed by item 10 of section 611 of the Corporations Act which would otherwise permit an applicant to acquire a voting power of more than 20% in the Company as a result of accepting their Entitlement under the Rights Issue without breaching section 606 of the Corporations Act.

As a consequence, the Company will not issue New Shares to any Eligible Shareholder if the result of any such issue would result in the relevant interest of a person or their associates increasing:

a) from 20% or below to more than 20%; or
b) from a starting point that is above 20% and below 90%.

This may result in the Company scaling back Applications from Eligible Shareholders below their Entitlement to ensure that no breach of section 606 of the Corporations Act occurs.

Without limiting the above, it is the responsibility of Eligible Shareholders to ensure that their participation under the Offer does not result in them breaching section 606 of the Corporations Act. Eligible Shareholders, by lodging Applications for New Shares, acknowledge and accept the right and obligation of the Company to not allot or issue New Shares to them which would result in any breach by them of section 606 of the Corporations Act and direct the Company to so act.

5.6 Market Price of Shares

The highest and lowest closing price of Shares on ASX during the 3 months immediately preceding the lodgement of this Offer Document with ASX and the most recent respective dates of those closing prices were:

Highest: $0.075 on 6 June 2018
Lowest: $0.028 on 23 August 2018

The last available market closing sale price of Shares on ASX immediately prior to the date of this Offer Document was $0.028 on 23 August 2018.

5.7 Stamping fees

A stamping fee of 2% (plus GST) of the value of successful Applications pursuant to an Entitlement and Acceptance Form Application or BPAY Application will be payable to brokers by the Underwriters, subject to the following conditions:

a) where an Eligible Retail Shareholder lodges more than one Entitlement and Acceptance Form, the fee is only payable on one Entitlement and Acceptance Form;

b) stamping fees will only be paid to participating organisations of the ASX (being those entities recognised as full-service brokers or non-advisory brokers by ASX); and

c) stamping fees will only be paid on Applications where a stamping fee claim form and schedule is submitted to the Share Registry by no later than 5.00pm AEST on 24 September 2018. The stamping fee will not be paid if the stamping fee claim form and schedule is received after 5:00pm AEST on 24 September 2018.

6. OTHER INFORMATION

6.1 ASX Announcements

Details of the financial position and performance of the Company and its current activities and operations are set out in announcements made by the Company to the ASX and are available from the ASX website, www.asx.com.au, (ASX code: CRO).

6.2 Disclosing Entity

The Company is a 'disclosing entity' for the purposes of the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. Copies of documents lodged by the Company with ASIC may be obtained from, or inspected at, an ASIC office.

6.3 Termination or Variation of Rights Issue

The Company, at its discretion, reserves the right at any time to:

a) amend or vary these Rights Issue Terms and Conditions;

b) waive compliance with any provision of these Rights Issue Terms and Conditions;

c) withdraw the Rights Issue or suspend or terminate the Rights Issue;

d) subject to the ASX Listing Rules, vary the timetable for the Rights Issue (including by accepting late Applications, either generally or in particular cases); and

e) not accept an Application, not issue New Shares or issue New Shares to a value less than that applied for under the Rights Issue.

Any such waiver, amendment, variation, suspension or withdrawal will be binding on all Eligible Shareholders even where the Company does not notify you of the event. If the Rights Issue is cancelled all Application Money will be refunded (without interest) as soon as reasonably practicable.

6.4 Dispute Resolution

The Company may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Rights Issue, whether generally or in relation to any participant or application, and the decision of the Company will be conclusive and binding on all participants and other persons to whom the determination relates.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these conditions may be exercised by the Directors or any delegate of the Directors.

6.5 Constitution

Shareholders will be bound by the constitution of the Company and these Rights Issue Terms and Conditions by accepting the Offer to acquire New Shares under the Rights Issue.

6.6 Contact

If you have any questions regarding the Rights Issue or how to deal with this Offer, please contact your professional advisor or stockbroker.

If you require information on how to complete the Entitlement and Acceptance Form please contact the Company's Share Registry, Automic Registry Services, on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

For general enquiries please contact the Company Secretary, Justyn Stedwell, on +61 (0) 3 9191 0135.

7. RISKS

This Section identifies the areas the Directors regard as the major risks associated with an investment in the Company. The following is not an exhaustive list.

7.1 Competition

Industries in which the Company, its subsidiaries and business partners operate are subject to technological change and competition. The Company, its subsidiaries and business partners face competition from other organisations, many of which may have significantly greater financial, technical and marketing resources than the Company. The Company, its subsidiaries and business partners have faced and are expected to continue to face, additional competition from existing competitors and from new entrants into its markets.

Increased competition could result in margin reductions, lower customer numbers, under-utilisation of employees and/or contractors, reduced operating margins and loss of market share. Any of these occurrences could adversely affect the Company's business, operating results and financial condition.

7.2 Dependence on Key Customers and Business Partners

The Company's business is reliant on business relationships with a number of key customers and/or business partners. A material proportion of the Company's future revenues are expected to be generated from such relationships with key customers and/or business partners. Loss or termination of key customers and/or business partnerships for any reason may have a significant adverse impact on the business, revenues and profitability of the Company.

7.3 Speculative Investment

Shareholders should consider that the investment in the Company is speculative. The New Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

7.4 Trading in New Shares may not be liquid

There may be relatively few potential buyers or sellers of the New Shares on ASX at any time. This may increase the volatility of the market price of the New Shares. It may also affect the prevailing market price at which Shareholders are able to sell their New Shares. This may result in Shareholders receiving a market price for their New Shares that is less or more than the price that Shareholders paid.

7.5 Additional requirements for capital

Additional funding will be required by the Company to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. Further additional financing will be required if the Board determines to accelerate the development of the Company's technology.

The Company may seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of activities. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders. Failure to gain funding as and when required may result in the Company being unable to finance its operations and ultimately being unable to operate as a going concern.

7.6 Economic Risks

The Company and its subsidiaries are affected by general business cycles and general economic conditions, including but not limited to movements in interest and inflation rates, currency exchange rates, disposable income levels and consumer sentiment. These factors may have an adverse effect on the Company's earnings.

7.7 Market Conditions

The market price of the New Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

Share market conditions may affect the value of the Company's shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

(a) general economic outlook;
(b) interest rates and inflation rates;
(c) currency fluctuations;
(d) changes in investor sentiment toward particular market sectors;
(e) the demand for, and supply of, capital; and
(f) terrorism or other hostilities.

7.8 Foreign Investment Risk

The Company may operate in foreign jurisdictions. As a result, the Company may be subject to political, economic and other uncertainties including but not limited to foreign exchange restrictions, currency fluctuation, royalty and tax increases and other risks arising out of foreign government sovereignty over the areas in which the Company's operations may be conducted.

7.9 Reliance on Key Personnel

The Company's success will depend in part on the continued services of its key contractors. The loss of services of one or more of the Company's key contractors could have a material adverse effect on the Company's business, operating results and financial condition. This risk is addressed in part by the existence of service contracts with executives and senior management. The Company does not have, nor does it intend to take out, key man insurance in respect of any of its key contractors.

7.10 Regulatory Changes

Changes in government policies in any country, in particular Australia, may affect the Company's revenues and profitability and the value of an investment in the Company.

7.11 Litigation

The Company may be exposed to litigation that may materially adversely affect the financial position of the Company and could negatively impact the Company through increased costs and payments for damages.

8. APPLICATION FOR NEW SHARES

8.1 How to apply for New Shares

The number of New Shares to which you are entitled is shown on the Entitlement and Acceptance Form accompanying this Offer Document.

If you are an Eligible Shareholder and you wish to participate in the Rights Issue, please follow the instructions set out on the enclosed personalised Entitlement and Acceptance Form and send this form together with your cheque or money order made payable to "Cirralto Limited" to:

Cirralto Limited
Automic Registry Services
PO Box 2226
Strawberry Hills NSW 2012

Alternatively you can make payment by BPAY® [1] as shown on the Entitlement and Acceptance Form. If you pay by BPay you do not need to return the Entitlement and Acceptance Form.

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the Entitlement and Acceptance Form by indicating the number of New Shares you wish accept.

The Application Amount for taking up part of your Entitlement is calculated as follows:

Application Amount = Number of New Shares applied for x $0.031

If you are taking up your full Entitlements and wish to apply for Shortfall Shares, complete the Entitlement and Acceptance Form by indicating the number of Shortfall Shares you wish to apply for.

The Application Amount for taking up your full Entitlement plus applying for any Shortfall Shares is calculated as follows:

Application Amount = Full Entitlement + (Number of Shortfall Shares applied for x $0.031)

If you DO NOT WISH TO TAKE UP any part of your Entitlement you are not required to take any action. Although you will continue to own the same number of Shares, your percentage shareholding in the Company may be diluted by the Rights Issue.

If you wish to participate you should ensure that your Entitlement and Acceptance Form and payment is received by no later than 5:00 pm AEST on Tuesday, 18 September 2018. Please ensure you allow adequate time for mail deliveries.

8.2 Payment Instructions

The issue price of $0.031 per New Share is payable in full on exercise of your Entitlement.

® Registered to Bpay Pty Ltd ABN 69 079 137 518

Application Money must be received at the Company's Share Registry by no later than the Closing Date of 5.00 p.m. AEST on Tuesday, 18 September 2018 (or such other date as the Company may determine).

You may pay the Application Money by cheque, bank draft, money order or BPay. In choosing a payment method, Shareholders should be aware of the time required to process payments by cheque, bank draft, money order and BPay.

Cash will not be accepted and receipts will not be issued. Please note that funds are unable to be directly debited from your bank account.

If you provide insufficient funds to meet the Application Money payable, you may be taken by the Company to have applied for such lower number of New Shares as your cleared Application Money will allow for, or your Application may be rejected.

8.3 Payment by Cheque, Bank Draft or Money Order

To pay by cheque, bank draft or money order, your cheque, money order or bank draft must be made in Australian currency and drawn on an Australian branch of a financial institution. Such payment must be made payable to "Cirralto Limited" and crossed "Not Negotiable". Payments not properly drawn may be rejected.

Cheques will be processed on the day of receipt and sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Entitlement and Acceptance Form being rejected. Paperclip (do not staple) your cheque(s) to the form where indicated.

8.4 Payment by BPAY

Payment can be made using BPay in accordance with the instructions for BPay set out in your Entitlement and Acceptance Form using the biller code and unique reference number on the form. If you require further information in relation to using BPay please contact your bank, credit union or building society

If you are applying for New Shares and your payment is being made by BPay you do not need to return your Entitlement and Acceptance Form. Your payment must be received by no later than 5:00 p.m. AEST on Tuesday, 18 September 2018. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPay are received by this time.

8.5 Entitlement and Acceptance Form is binding

A completed and lodged Entitlement & Acceptance Form or payment by BPay constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Offer Document and, once lodged or payment by BPay has been made, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid application for New Shares. The Board's decision whether to treat an Application as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

You will not be able to withdraw or revoke your application once you have sent us the completed Entitlement and Acceptance Form and payment or payment has been made by BPay.

8.6 Application Representations

By returning a completed Entitlement and Acceptance Form and cheque or money order or by making a payment via BPay you:

a) confirm that you have read and accepted this Offer Document and the Entitlement and Acceptance Form in full;

b) authorise the Company to register you as the holder(s) of New Shares issued to you;

c) warrant that all details and statements in your Entitlement and Acceptance Form are true and complete and not misleading;

d) warrant that you are an Eligible Shareholder as at the Record Date and agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Rights Issue and of your holding of Shares on the Record Date;

e) irrevocably and unconditionally agree to (and to be bound by) the Rights Issue Terms and Conditions, the terms of the Entitlement and Acceptance Form and the Company's constitution;

f) represent and warrant that your acceptance of the Offer does not breach any applicable laws;

g) acknowledge and agree that:

i. your Application is, to the extent permitted by law, irrevocable and unconditional and cannot be varied;

ii. you, and each person for whose account or benefit you are acting, are not in the United States and not a U.S. Person and not acting for the account or benefit of a U.S. Person;

iii. the New Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the New Shares may not be offered, sold or otherwise transferred except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable United States securities laws;

iv. you have not, and will not, send any materials relating to the Rights Issue to any person in the United States or to any person who is, or is acting for the account of benefit of, a U.S. Person;

v. you are responsible for any dishonour fees or other costs the Company may incur in presenting a cheque for payment that is dishonoured;

vi. no interest will be paid on any Application Money held pending the issue of the New Shares or subsequently returned to you for any reason;

vii. you have not been provided with taxation, investment or financial product advice by the Company, its advisers or agents nor have they any obligation to provide this advice in relation to your consideration as to whether or not to participate in the Rights Issue;

viii. the Company (and its officers and agents) may correct minor or easily rectified errors in, or omissions from, your Entitlement and Acceptance Form (if you submitted one) and to complete the Application Form by the insertion of any missing minor detail (if you submitted one); and

ix. the Company may determine that your Entitlement and Acceptance Form is valid (if you submitted one), in accordance with these Rights Issue Terms and Conditions, even if the Entitlement and Acceptance Form is incomplete, contains errors or is otherwise defective.

9. GLOSSARY OF TERMS

AEST means Australian Eastern Standard Time

Application means an application to participate in the Rights Issue by a Shareholder who completes an Entitlement and Acceptance Form or applies via BPay.

Application Money or Application Amount means the amount payable for New Shares under this Offer Document

ASIC means the Australian Securities and Investments Commission.

ASX means the means ASX Limited or the securities exchange operated by it (as the case requires).

ASX Listing Rules or Listing Rules means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.

Automic, Registry or Share Registry means Automic Pty Limited.

Board means the Board of Directors of the Company.

Closing Date means the time and date by which Applications must be received, being 5.00pm AEST, Tuesday, 18 September 2018 (unless the Rights Issue is extended).

Company or Cirralto means Cirralto Limited, ACN 099 084 143.

Corporations Act means *Corporations Act 2001* (Cth).

Directors means the directors of the Company.

Eligible Shareholders means members of the Company eligible to participate in the Offer as determined under section 4.3.

Entitlement means 1 New Share for every 8 Shares held in the Company as at the Record Date.

Entitlement and Acceptance Form or Application Form means the Entitlement and Acceptance Form accompanying this Offer Document.

Ineligible Shareholders means the registered holders of Shares on the Record Date with a registered address outside of either Australia or New Zealand.

Market Price has the same meaning as that term is defined in the Listing Rules of the Australian Securities Exchange.

New Shares means Shares to be issued pursuant to the Rights Issue.

Non-Shareholders means a person and/or body corporate who is not a Shareholder at the Record Date and who is entitled to be offered securities without a disclosure document pursuant to section 708 of the Corporations Act.

Offer the offer of New Shares pursuant to the Rights Issue

Offer Document means this Rights Issue Offer Document

Offer Price, Issue Price or Rights Issue Price means $0.031 (3.1 cents) per New Share

Opening Date means the time and date on which Offers under the Rights Issue are first made and from which Applications may be submitted, being 9:00 am AEST on 3 September 2018.

Prohibited Persons has the meaning given in section 2.1 of the Offer Document.

Record Date means 7.00pm AEST on Wednesday, 29 August 2018.

Rights means the right of an Eligible Shareholder to their Entitlement.

Rights Issue means the non-renounceable pro rata offer of New Shares to Eligible Shareholders under this Offer Document.

Rights Issue Terms and Conditions or Terms and Conditions means terms and conditions set out in the Offer Document.

Shareholder means a holder of Shares as at the Record Date.

Shares means fully paid ordinary shares in the Company.

Shortfall means the Entitlements to New Shares not taken up under the Rights Issue.

Shortfall Offer means an offer of New Shares out of any Shortfall.

Shortfall Shares means New Shares issued pursuant to any Shortfall Offer

Words importing the singular include the plural and vice versa.

All references to currency are in Australian dollars.