

Acquisition of Opmantek and \$14m capital raising

29 November 2021

FirstWave +  OPMANTEK

FirstWave

Disclaimer

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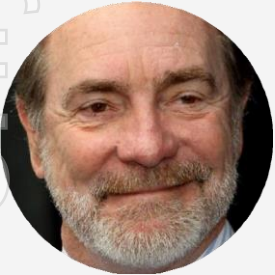
Not an offer

This Presentation is not, and should not be considered, an offer or an invitation to acquire FCT shares.

Agenda

1. Transaction Summary
2. Benefits of Acquisition
3. The combined business
4. Opmantek overview
5. The combined business
6. Leadership team
7. Financials
8. Capital Raise
9. Timetable
10. Key risks

Presenters



John Grant – Executive Chairman

- Australian industry leader
- Managing Director of Data#3 (ASX:DTL) for c. 20 years
- Inaugural Chair of Australian Rugby League Commission



Danny Maher – Opmantek Executive Chairman

- Opmantek Foundation Investor
- Netstar executive shareholder - acquired by Logicalis
- Led the building, growth and restructuring of innovative Cos in AU, Asia, USA & UK



Iain Bartram - Chief Financial Officer and Company Secretary

- Strategic CFO with international experience in high-growth technology businesses.
- ASX and AIM listed company experience

Transaction Summary



Acquisition

- FCT to acquire 100% of Opmantek – via a takeover for 100% scrip consideration

Opmantek

- IP is enterprise-grade, network management (NMIS) and IT Audit software
- Clients are Telcos and Managed Service Providers who buy direct from Opmantek for resale to their mid-market customers, and large enterprises for use in their own network environment, world-wide
- Broad footprint with NMIS and AudIT products used (150,000 organisations) & supported in ~178 countries
- Beginning operations in 2011, headquartered in Australia with offices in the US and Mexico, 26 FTE
- Experienced and committed management team with a deep understanding of the global IT software market

Strategic rationale

- This is a transformational transaction for FCT bringing substantial operational, financial and strategic benefits
- Stronger product offering, high growth ARR, new markets, stronger team, improved financial returns

Equity Raising

- \$14m equity raising via \$7m institutional placement and \$7m non-renounceable rights issue

Financial metrics

- OPM FY21 revenue \$4.0m, 100% gross margin
- OPM June 21 annualised recurring revenue \$3.4m (up 59% from June 20)
- OPM FY21 EBITDA (\$0.8m)
- Combined pro forma FY21 revenue of \$12.0m, RR \$10.8m
- Annual cost savings of \$2.0m identified
- Combined cash of \$16.8m post transaction costs (pro forma 30 Sep 2021) - sufficient to reach cash flow breakeven

Timetable

- Acquisition expected to be completed by 4th January 2022

Benefits of acquisition flow to all shareholders



✓ Expands product portfolio	New opportunities through one platform and combined IP
✓ New channels to market	New MSP partners and direct sales
✓ Opens large and lucrative US market	Local team selling through existing partner network and to blue-chip clients
✓ Expands global reach	Leverages existing sales capacity and presence to create truly global reach
✓ Adds recurring revenue	\$3.4m+ of annualised recurring revenue at 100% margin
✓ Lowers risk	Reduces current dependencies, CyberCision availability + Telstra
✓ Bolsters Leadership	New CEO, additional management, Board capability and commitment
✓ Synergies	Cross-sell and up-sell opportunities and multiple cost synergies
✓ Reduces cash burn	Combined business expected to considerably reduce cash burn
✓ Value accretive	FCT and Opmantek 'dovetail', low merger risk and maximise opportunity

Combined Offering



FirstWave



**The combined offering is an end-to-end solution for
network discovery, management and cybersecurity**



- ✓ FirstWave's cyber-security as a service protects & remediates vulnerabilities identified by Opmantek's network management platform. This includes enterprise-grade email, web, firewall virtual appliances and endpoint protection services
- ✓ Opmantek's network management platform will further enhance FirstWave's offering through providing end-to-end visibility of the network and IT environment, enabling IT teams to detect faults, review current and historical network performance and predict future failures

Expanded global reach



Opportunity for international revenues to be enhanced through the combined companies

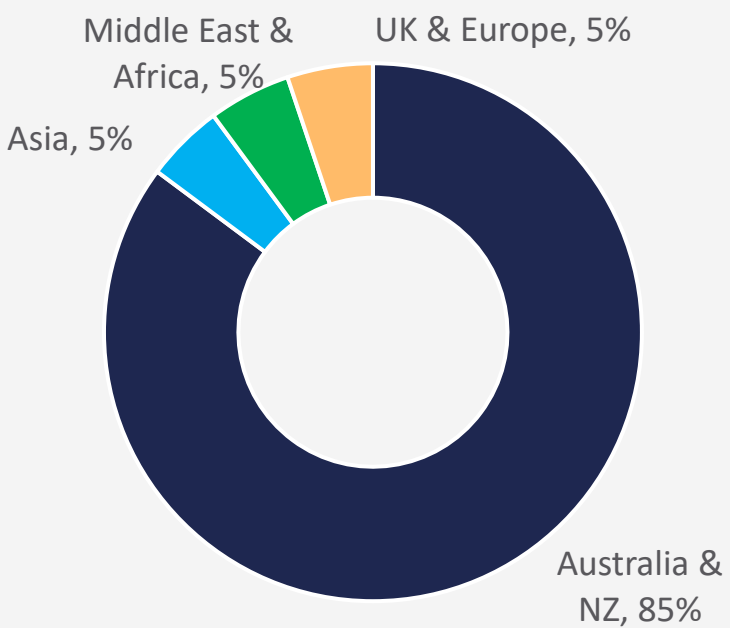


-  Opmantek operations
-  FirstWave operations

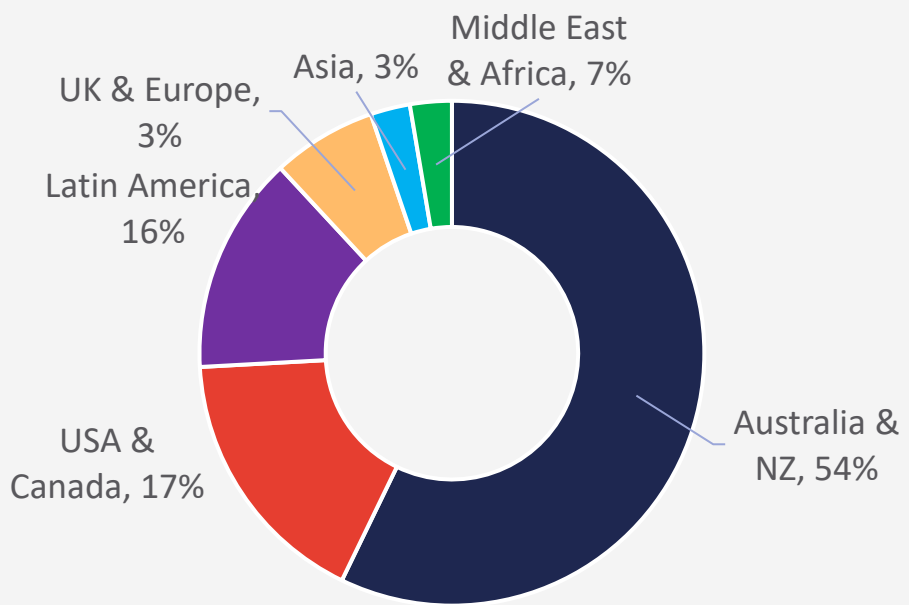
Diversified global client base



FY21 FirstWave Gross Profit Distribution*



FY21 Combined FirstWave and Opmantek Gross Profit Distribution*

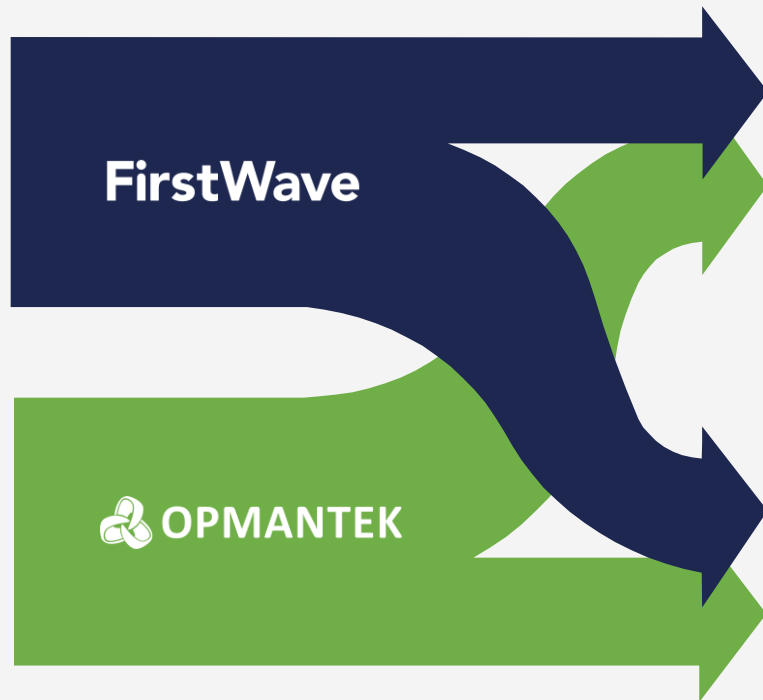


*Source data- unaudited data from Management Reports.

The combined business – delivers operational synergies



\$2m in annual synergies in the combined group, in addition to the \$2.5m cost reductions FCT communicated in the FY22 Q1 market update



Revenue Synergies:

- ✓ Entry into new geographic markets with access to existing channels and customers
- ✓ New Channels - Access to new channel partners, particularly the US market and to direct to enterprise sales go-to-market
- ✓ Cross-sell and up-sell - Across products, geographies, sectors
- ✓ Improved lead generation - Through Opmantek tools such as Open-AudIT and digital marketing

Cost Synergies:

- ✓ Consolidation of operations to create annual cost savings of \$2m

Opmantek Evolution



Foundation

“NMIS” and “open-Audit” were first released as free open-source software in 1999.

Their primary purpose was the disruption of the established network management and auditing industries which was achieved. User adoption led to the formation of Opmantek to commercialise these core products.

2011 - 2016

Flagship customers including Telmex, John Deere, Claro,, Intelliquent, USAF and more added to our family

2018

Automation
Operational Process Automation delivered

2017-2019

Over 130,000 organizations using free products. Open-Audit Cloud released, Subscription and “pay as you grow” pricing released.

2021

NASA - To support the Artemis Mission
Microsoft - To monitor their campus environment
Services Australia - To monitor key clients. 150,000 using free products

2011 - 2016

Opmantek was legally formed in 29 October 2010 and began operations in 2011. Commercial modules released, Open-Audit acquired

2017-2019

WISP Market opens with Nextlink, Solarus, Bestel, Minnesota IT Services, TISD & more become customers

2020

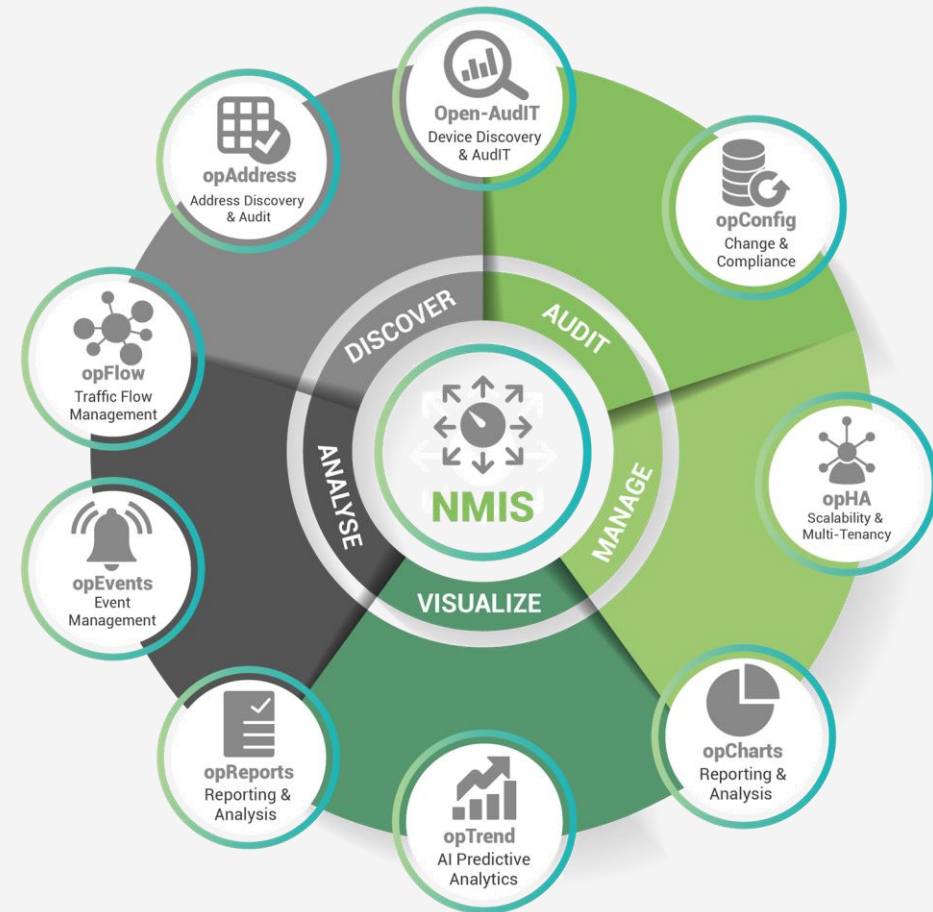
1+ Million devices under management
Monitoring largest Govt Organisations
Major Release of NMIS 9

Opmantek IP



Multi Tenant, Cloud Enabled

- Discovery and audit
- Management and monitoring
- Configuration and compliance
- Anomaly detection
- Automation



Opmantek positioning and customers



Competitive Differentiators

- 🌱 **Price:** Pay for what they need on a subscription basis. No restrictions on number of times software can be deployed in an organisation. No hidden hardware or operating system/database costs
- 🌱 **Scalability:** Able to be deployed under multiple architectures to support diverse environments
- 🌱 **Security:** Open-Source core, hardened Linux, secure multi-tenancy and distributed processing
- 🌱 **SaaS and Multi Tenanted:** Great for MSPs, large organisations and SaaS providers
- 🌱 **Ease of Implementation:** Opmantek's full product suite comes pre-packaged on a Virtual Machine for easy deployment with self-configuration technology
- 🌱 **Device Support:** Unique device modelling capability. Opmantek software can discover and manage any device on any network
- 🌱 **Automation:** Industry leading Automation to reduce operational costs for clients

Commercial Customer Base

- 🌱 Blue Chip Clients
- 🌱 Typical client size >300 FTEs although solutions are suitable for all sectors and size of companies
- 🌱 Telecom and MSP customers are key clients for Opmantek due to size and complexity



Opmantek Managed Service Providers















New channels to market through global Manged Service Provider network



Opmantek Managed Service Providers

Opmantek Competitive Matrix



	 Price	 Scalability	 Flexibility of Features	 Ease of Implementation	 Device Support 10,000 Vendors	 Public Cloud Deployment Platform
 OPMANTEK	✓	✓	✓	✓	✓	✗
 IBM	✗	✓	✓	✗	✗	✗
 HEWLETT PACKARD	✗	✗	✗	✓	✗	✗
 bmc	✗	✓	✓	✗	✗	✗
 solarwinds	✓	✗	✓	✓	✗	✗
 auvik	✓	✓	✗	✓	✗	✓

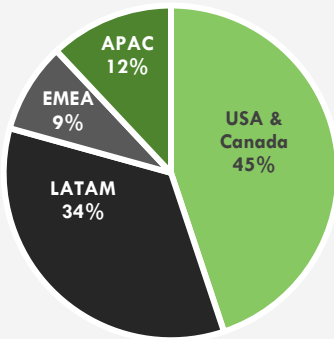
Opmantek ARR growth and mix



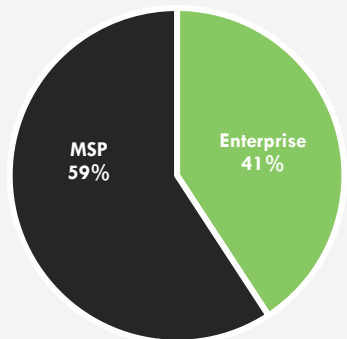
Annual Recurring Revenue (ARR)*
(A\$ 000)



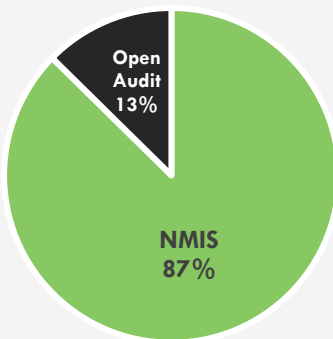
ARR by Region *



ARR by Type of Customer*



ARR by Product *









*Source data- unaudited data from Management Reports.

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Opmantek case study









Background

-  Based in Mexico, Telmex is one of the world's largest telecommunications companies
-  Previously served by one of Opmantek's competitors (a Fortune 50 IT company)
-  After 18 months competitor's solution was NOT:
 -  Scaling or supporting the number/diverse range of their customers' devices
 -  Capable of integrating data into their reporting systems
 -  Designed to support multi tenancy/multiple customer

Outcomes

Opmantek engaged by incumbent competitor to remove their software and replace it with Opmantek's software with the following outcomes:

-  Implemented in 2 months
-  Decommissioned multiple existing systems
-  Reduced cost and increased scalability
-  Decreased time to market for the telco to deploy new services
-  All issues resolved and objectives achieved
-  Use the full suite of modules to manage and maintain networks for a diverse range of customers

Opmantek case study








Background

-  Microsoft is one of the world's largest organisations.
-  Too many management systems and no single view of infrastructure - views siloed by division and technology
-  Key problems:
 -  Scaling or supporting the number and diverse devices
 -  Integrating data into a single view
 -  Supporting multi-tenancy
 -  Supporting different views for different users
 -  Lack of visibility of technology inventory especially due to rapid and constant change (e.g. acquiring 50 datacentres a week globally)

Outcomes

Opmantek engaged by an inbound request from Microsoft with the following outcomes:

-  Implemented POC in under a day and live system in under a month
-  All outcomes achieved for the client and all problems resolved
-  Decommissioned multiple existing systems
-  Reduced costs
-  Following the success of the initial deployment, Microsoft is expanding the implementation and replacing more systems in more divisions

The combined leadership team – strengthened and committed



Danny Maher

Managing Director and Chief Executive Officer

- Previously Opmantek Exec Chair, Foundation Investor
- Netstar executive shareholder - acquired by Logicalis
- Led the building, growth and restructuring of innovative companies in AU, Asia, USA & UK
- Named Australian CEO of the Year in 2015



Craig Nelson

Chief Revenue Officer and Head of Global Sales

- Previously Opmantek Chief Executive Officer
- VP of Worldwide Ent. Sales at Ixia leading up to its acquisition by Keysight Systems for \$1.6B



Iain Bartram

Chief Financial Officer and Company Secretary

- Strategic CFO with international experience in high-growth technology businesses.
- ASX and AIM listed company experience



Simon Ryan

Chief Technology Officer

- Globally recognised leader and innovator in cloud technology
- Specialist in AI, machine learning and data mining



Roger Carvosso

Chief Product Officer

- Experienced Telco, ICT & Cyber Security industry professional with prior roles covering Strategy and Products & Innovation
- Founder and Principal of Telconext Consulting and Telstra Global Head of Network Services, Portfolio & Marketing

The combined leadership team – strengthened and committed



John Grant

Non-Executive Chairman

- Australian industry leader
- Managing Director of Data#3 (ASX:DTL) for c. 20 years
- Inaugural Chair of Australian Rugby League Commission



Paul MacRae

Non-Executive Director

- International IT industry veteran
- Previously a senior executive at TechnologyOne, after establishing MessageLabs in Australia & NZ



David Hwang

Non-Executive Director

- Experienced corporate lawyer specialising in capital markets and corporate governance
- Principal of Automic Legal – specialist law and corporate governance firm



Danny Maher

Managing Director and Chief Executive Officer

- Previously Opmantek Exec Chair, Foundation Investor
- Netstar executive shareholder - acquired by Logicalis
- Led the building, growth and restructuring of innovative Cos in AU, Asia, USA & UK
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Ray Kiley

Non-Executive Director

- Previously Opmantek Board Advisor
- CEO Intelledocs (SaaS company, recently acquired)
- Corporate lawyer and former divisional General Council at Telstra

The combined business – pro forma Profit & Loss



FY21 (AUD \$'000)	FirstWave **	Opmantek**	Adjustment*	Combined Pro forma*
Recurring Revenue	7,595	3,236		10,831
Non-recurring revenue	380	796		1,176
Revenue	7,975	4,033		12,008
Cost of Goods Sold	(3,672)	-		(3,672)
Gross Profit	4,303	4,033		8,336
Other Income	2,427	367	111	2,905
Operating costs	(14,912)	(5,187)	329	(19,770)
EBITDA	(8,182)	(787)	440	(8,528)
Gross Profit %	54%	100%		69%
EBITDA Margin %	(103)%	(20)%		(71)%

P&L highlights of the deal pro forma FY21

- 43% increase in recurring revenue
- 94% increase in gross profit
- Lifts gross margin from 54% to 69%
- EBITDA margin % improves
- Pro forma adjustment for development work to match FirstWave's accounting policies
- Pro forma does not include identified cost synergies of \$2m

* Source data- unaudited data from Management Reports.

** Source data – audited data from Financial statements

The combined business – pro forma Balance Sheet



Sep-21 (AUD \$'000)	FCT**	OPM**	Adj*	Pro forma*
Assets				
Current assets				
Cash and cash equivalents	6,865	1,415	8,538	16,818
Trade and other receivables	2,286	955	(296)	2,945
Other	1,691	94	-	1,785
Total current assets	10,841	2,465	8,241	21,547
Non-current assets				
PPE, ROU, Other	705	13	-	718
Intangibles	9,801	-	324	10,125
Goodwill	-	-	49,369	49,369
Total non-current assets	10,507	13	49,692	60,212
Total assets	21,348	2,478	57,934	81,760
Liabilities				
Current liabilities				
Trade and other payables	3,288	319	-	3,608
Contract liabilities	1,140	1,464	(200)	2,404
Employee Benefits	1,559	349	-	1,908
Borrowings	-	445	(445)	-
Other Liabilities	760	-	-	760
Total current liabilities	6,748	2,577	(646)	8,679
Non-current liabilities				
Borrowings	-	1,156	(1,156)	-
Other Liabilities	2,475	16	323	2814
Total non-current liabilities	2,475	1,172	(833)	2,814
Total liabilities	9,223	3,749	(1,479)	11,493
Net assets	12,126	(1,272)	59,413	70,266

- Cash increases by \$8.5m assuming \$14m capital raise and acquisition completed, after all transaction costs and loan repayments are recognised.
- Opmantek borrowings to be repaid:
 - \$211k through conversion to equity pre-acquisition
 - \$1.5m from proceeds of capital raise

* Source data- unaudited data from Management Reports.

** Source data – audited data from Financial statements

Cash Balance post transaction



Combined Cash Position

Proforma 30 Sept 2021*

Cash from combined balance sheets	\$8.3m
Repayment of Loan	(\$1.5m)
Cash Consideration – Warrants, Advisors	(\$1.3m)
Transaction Costs (including brokerage)	(\$2.7m)
Placement and Rights Issue	\$14.0m
Total	\$16.8m

* Source data- unaudited data from Management Reports.

- Integration plan*
 - Estimated integration costs ~\$1.2m
 - Full integration completed by Jun 22
- Cash burn for combined business to halve*
 - from ~\$1.0m in 31 Dec 21
 - to ~\$0.5m by 30 Jun 22
- Revenue synergies targeted to start in H1 FY23
- Sufficient funding to reach cashflow breakeven

Proposed Capital Structure



Rationale for Equity Split

Description	FCT**	OPM**
Revenue (FY21)	\$8m	\$4.0m
Gross Profit (FY21)	\$4.3m	\$4.0m
EBITDA (FY21)	(\$8.2m)	(\$0.8m)
Executives	Chairman, CFO, CTO	CEO, Global Head of Sales
International regions	Africa, India	North America, Latam

Capital Structure

	No. of shares	% of shares	MV @ \$0.07
FirstWave Current Shares	769m	46%	\$54m
Placement and Rights Issue	200m	12%	\$14m
Opmantek	691m	42%	\$48m
Total	1,661m	100%	\$116m
Opmantek – Danny Maher ¹	256m	15%	\$18m
Opmantek – Craig Nelson ¹	21m	1%	\$1m
Opmantek – Other shareholders ²	414m	25%	\$29m

Note 1: Senior Opmantek management escrowed – 50% of shares until after release of FY23 results (Sept 2023), 50% until after release of H1FY24 results (Feb 2024)

Note 2: All other Opmantek shareholders escrowed - 50% of shares until release of results (Sept 2022), 50% escrowed until after release of H1FY23 results (Feb 2023)

** Source data – audited data from Financial statements

Capital raising



Equity raising Structure

- Capital raising of \$14m is to be raised under the Offer via:
 - Two Tranche Placement of approximately 100m shares (representing approximately 13% of issued capital) to institutional and sophisticated investors to raise approximately \$7.0m (“Placement”). The Placement will consist of two tranches, tranche 1 will be approximately 40 million ordinary shares (\$2.8m) , while tranche 2 will be approximately 60 million ordinary shares (\$4.2m)
 - A 3 for 23 Non-Renounceable Entitlement Offer (“Entitlement Offer”) of approximately 100m shares to existing shareholders as of the Record Date to raise approximately \$7.0m

Offer Price

- The Placement and Entitlement Offer are together referred to as the (“Offer”)
- Offer Price of \$0.07 per new share, represents a:
 - 22.2% discount to the last closing price on 24 November 2021 of \$0.0900 per share
 - 19.8% discount to the 5-day VWAP of \$0.0872 per share
 - 18.5% discount to the Theoretical Ex-Rights Price (‘TERP’) of \$0.0859

Capacity

- Using FCT’s existing Placement capacity under LR7.1. Shareholder approval is not required for the Offer
- Transaction costs \$4.0m (cash consideration \$1.3m, advisory, underwriting and other transaction costs \$2.7m)
- Repayment of Opmantek loan \$1.5m
- Integration costs \$1.2m
- Working capital \$7.3m expected to fully fund the combined business to cashflow break-even

Use of Proceeds

Ranking

- New Shares issued under the Offer will rank pari passu with existing fully paid ordinary shares on issue

Underwriting

- The Offer is fully underwritten by Morgans Corporate Limited (Underwriter).

Capital raising timetable



Event	Date
Announcement of the Offer (Non-Renounceable Entitlement Offer)	Monday, 29 November 2021
Placement Bookbuild opens	Thursday, 25 November 2021
Placement Bookbuild closes	Friday, 26 November 2021
Results of Placement announced and trading halt lifted	Monday, 29 November 2021
Shares trade ex-entitlement	Wednesday, 1 December 2021
Record date for determining Eligible Shareholders	7:00pm (AEDT) Thursday, 2 December 2021
Entitlement Offer opens and booklets despatched	Monday, 6 December 2021
Settlement of New Shares issued under the Placement Tranche 1	Monday, 6 December 2021
Allotment of New Shares issued under the Placement Tranche 1	Tuesday, 7 December 2021
Entitlement Offer closes	5:00pm (AEDT) Wednesday, 15 December 2021
Settlement of the Entitlement Offer	Monday, 20 December 2021
Allotment of New Shares under the Entitlement Offer	Tuesday, 21 December 2021
Normal trading of New Shares issued under the Entitlement Offer	Wednesday, 22 December 2021
Completion of Opmantek Merger	Tuesday, 4 January 2022
Settlement of New Shares issued under the Placement Tranche 2	Friday, 7 January 2022
Allotment of New Shares issued under the Placement Tranche 2	Monday, 10 January 2022

Acquisition terms of Opmantek



Structure

- Opmantek is an unlisted public company with approximately 60 shareholders

Offer

- FirstWave intends to make a scrip take-over offer to acquire 100% of the shares in Opmantek
- 100% scrip offer with the issue of up to 691m new FirstWave shares as consideration

Key Offer Terms and Conditions

- Acceptance by Opmantek shareholders holding at least 90% of the issued shares
- Senior Opmantek management escrowed – 50% of shares until after release of FY23 results (Sept 2023), 50% until after release of H1FY24 results (Feb 2024)
- All other Opmantek shareholders escrowed - 50% of shares until release of results (Sept 2022), 50% escrowed until after release of H1FY23 results (Feb 2023)
- No material adverse change in Opmantek's recurring revenue
- No prescribed occurrences

Pre-Bid Commitments

- Opmantek shareholders holding >80% have committed to accept the Offer
- Opmantek's Board unanimously recommends shareholders accept the offer, in the absence of a superior offer

Timetable

- ASX announcement of takeover and capital raising – 29th November
- Bidder's Statement & Target Statements sent to Opmantek shareholders (offer period starts) – 3rd December
- Offer Close date – 4th January 2022

Highlights



Combined proposition for clients

- ✓ End-to-end solution for network discovery, management and security
- ✓ Comprehensive SaaS, multi-tenanted cloud-based solutions



Increased scale with growing revenue

- ✓ FirstWave's standalone FY21 revenue of \$8.0m increases to \$12m
- ✓ Increase of 42% in ARR for combined business
- ✓ Diversification of revenues by customer, product and geography



Proprietary IP

- ✓ Opmantek's software NMIS is 100% owned, with no 3rd party costs
- ✓ NMIS will be integrated into CyberCision



Global opportunities to accelerate growth

- ✓ Global Presence with access to new markets
- ✓ New Direct Sales team focused on Enterprise and Government
- ✓ FirstWave enters US and Latin American markets and with access to blue chip enterprise clients such as NASA and Microsoft



Profitability and synergies

- ✓ Increase in gross margin to 69%
- ✓ Significant operational synergies through consolidation of operating activities such as; international sales presence, 24x7 support processes and corporate admin



Experienced Committed Team

- ✓ Experienced and committed executive team
- ✓ MD will be a substantial shareholder
- ✓ 93 combined staff

Key Risks

This section discusses some of the risks associated with an investment in FirstWave. FirstWave's business is subject to a number of risk factors both specific to its business and of a general nature which may impact on its future performance and forecasts. Before subscribing for FirstWave securities, prospective investors should carefully consider and evaluate FirstWave and its business and whether the securities are suitable to acquire having regard to their own investment objectives and financial circumstances and taking into consideration the material risk factors, set out below. The risk factors below are not exhaustive. Prospective investors should consider publicly available information on FirstWave, examine the full content of this presentation and consult their financial or other advisers before making an investment decision. Any investment will be solely at the investor's risk.

Specific risks relating to FirstWave:

Dependence on Key Personnel

FirstWave depends on the talent and experience of its Personnel, and, as such, any departure of key Personnel may be materially adverse to FirstWave's prospects. It may be difficult to replace key Personnel or to do so in a timely manner or at a comparable expense. Additionally, if any key Personnel were to leave to work for or establish a competitor, this could further impact FirstWave's prospects. FirstWave has sought to mitigate this risk with equity incentives, but these incentives cannot remove the risk altogether.

Intellectual Property

The intellectual property in the FirstWave platform is critical to its commercialisation. There may be circumstances where FirstWave's intellectual property cannot be protected or is subject to unauthorized infringement. Notwithstanding that FirstWave may have legal rights in respect of any infringement, those rights may be costly and time consuming to enforce.

FirstWave has source code and other intellectual property which are important assets. It is therefore reliant on a combination of confidentiality agreements with its consultants and third parties with whom it operates, in addition to trademark and domain name intellectual property right protections, in order to protect the FirstWave brand. Given the nature of the product, FirstWave does not have complete copyright and patent protection of its intellectual property.

If FirstWave is unable to protect its intellectual property, competitors may gain access to its technology which may adversely impact the business. In addition, third parties may make claims against FirstWave for infringement of their intellectual property rights. Defending such actions may be costly to FirstWave and divert the time and resources of Board and key management personnel, resulting in detriment to FirstWave. The intellectual property rights of a third party may also prevent FirstWave from utilising its own intellectual property rights, requiring FirstWave to rebrand at significant cost to FirstWave.

Competition

Markets in which FirstWave competes may be subject to disruptive change from new technologies and competition may arise from a number of sources both in Australia and abroad. It may include companies that have greater capital resources and closer customer relationships than FirstWave. Competition may also arise from companies with developed processes, systems, and technology or customers may seek to develop their own equivalent analytical platforms. Any significant competition or failure to keep pace with technological change may adversely affect FirstWave's ability to attract customers or meet its business objectives.

Reliance on Third Parties

As the FirstWave platform is cloud-based, FirstWave relies upon data centres and other third-party service providers for the ongoing availability of its platform. FirstWave's influence over these third-parties is limited. Any system failure that causes an interruption to the platform could materially affect FirstWave's business. System failures, if prolonged, could reduce the attractiveness of the platform to existing and potential customers and could damage FirstWave's business reputation and brand name, and consequently, its financial performance, position and prospects.

Reliance on Continual Platform Development

FirstWave's ability to grow its customer base and generate revenue will be dependent in part upon its ability to continually develop and innovate the FirstWave platform to ensure it is a market leader in the industry. This may involve introducing significant changes to the existing FirstWave platform, including technologies with which there is little or no prior development or operating experience. If the modified platform does not attract customers, FirstWave may fail to generate sufficient revenue or operating profit to justify the investment.

Key Risks (cont.)



Specific risks relating to FirstWave:

Hacking and Breaches

FirstWave may be adversely affected by malicious third-party actions that seek to breach security of the platform. Any such 'hacking' of the platform could, among other things, jeopardise the security of customer information stored on the FirstWave platform. If FirstWave's efforts to combat such malicious actions are unsuccessful, or if the platform has actual or perceived vulnerabilities, FirstWave's business reputation and brand name may be harmed, which may result in a loss of customers from the platform (and reduced prospects of securing new customers).

Lead Time Delay

There is a risk that the lead time from the identification of new customers/partners to the execution of the contract to product delivery and billing and actual payment for the services may be longer than anticipated. While FirstWave will use its best endeavours to reduce the lead times on its revenue generation activities, any delays which may be beyond the control of FirstWave have the potential to materially impact the financial position, performance and prospects of FirstWave.

COVID-19

The COVID 19 pandemic has had and continues to have an impact on FirstWave's business. In particular the inability for our people to travel internationally has delayed a number of product installations in offshore jurisdictions. Even after the travel restrictions are lifted, there is substantial uncertainty as to the economic outlook internationally.

There are also other changes in the domestic and global macroeconomic environment associated with the events relating to COVID-19 that are beyond the control of FirstWave and may be exacerbated in an economic recession or downturn. These include but are not limited to:

- changes in inflation, interest rates and foreign currency exchange rates;
- changes in employment levels and labour costs;
- changes in aggregate investment and economic output; and
- other changes in economic conditions which may affect the revenue or costs of FirstWave.

Sufficiency of Funding

The funds raised under the Placement and Entitlement Offer will be applied primarily for working capital purposes to help FirstWave pursue its growth strategy. However there is no certainty that these expenditures will deliver sufficient sales growth to obviate the need for further capital. For example, even if FirstWave becomes cash flow positive, the Directors may consider it appropriate to increase expenditure on the development of FirstWave's platform. As a result, FirstWave may require further funding in the medium term. Any equity funding sought may be highly dilutive to Shareholders, depending on the price at which FirstWave seeks to issue new securities and the level of participation under the Entitlement Offer. While debt funding may be available to FirstWave in the future, the availability of such funding, will be dependent on FirstWave's financial performance. In addition to dilution, if FirstWave is unsuccessful in obtaining funds when required, it may need to delay planned business activities, and potentially forgo growth opportunities, which in turn may adversely affect FirstWave's financial performance or position.

Information Technology Risks

The platforms offered by FirstWave may contain defects and bugs when first introduced to a particular customer or as new versions are released. These defects or bugs could interrupt or delay the provision of services to customers and could ultimately damage FirstWave's business reputation or financial performance.

FirstWave's platform is also subject to risks associated with computer viruses, physical or electronic break-ins, loss of data from physical damage or from failures by third party service providers or operating systems and similar disruptions, as well as to damage from the inadvertent introduction onto its systems of incorrect programming language by its employees. Any failures, faults, interruption, loss or corruption of data or other compromise to FirstWave's platform as a result of these risks may have a longer-term impact on client satisfaction and could adversely affect the financial performance of FirstWave's business as well as its business reputation.

Regulatory Risks

Changes in the structure and regulation of the industries in which FirstWave operates in Australia and elsewhere could materially affect FirstWave and its business. Changes to government policy, law or regulations, or the introduction of new regulatory regimes may lead to an increase in operational costs and may have a materially adverse effect on the operations, financial performance and prospects of FirstWave.

Key Risks (cont.)



Risks specifically relating to the Offer and the Combined Group:

Change of control risk

The acquisition of Opmantek may trigger change of control clauses in some material contracts to which Opmantek is a party.

Where triggered, the change of control clause will, in most cases, require FirstWave to seek the counterparty's consent in relation to the acquisition of Opmantek.

There is a risk that a counterparty may not provide their consent to the acquisition, which may trigger a termination right in favour of that counterparty, or that the counterparty may require a payment from FirstWave or renegotiation of terms to obtain such consent.

If any of the material contracts containing a change of control clause are terminated by the counterparty or renegotiated on less favourable terms, it may have a material adverse effect on FirstWave's post-acquisition (assuming this occurs) financial performance and prospects. There can be no assurance that FirstWave will be able to negotiate such contracts on commercially reasonable terms, if at all.

Additionally, as a result of the acquisition, clients of Opmantek that are not bound by contract or that have rights to terminate for convenience, may elect to terminate their relationship with Opmantek. If any material clients terminate their relationship with Opmantek, FirstWave's financial performance and prospects post-acquisition (assuming this occurs) may be materially adversely affected.

Reliance on information provided by Opmantek

A material unidentified misstatement of the recent financial performance of Opmantek's business could potentially have a material adverse impact on Opmantek into the future.

FirstWave undertook a due diligence process in respect of Opmantek, which relied in part on the review of financial, legal and other information provided by Opmantek. While FirstWave considers the due diligence process undertaken to be appropriate,

FirstWave has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it against independent data. Similarly, FirstWave has prepared (and made assumptions in the preparation of) the financial information relating to Opmantek on a stand-alone basis, and also to FirstWave should FirstWave become Opmantek's ultimate parent company.

If any of the data or information provided to and relied upon by FirstWave in its due diligence process and its preparation of this material proves to be incomplete, incorrect, inaccurate or misleading, there is a risk that the actual financial position and performance of FirstWave may be materially different to the financial position and performance expected by FirstWave and reflected in this material.

Further, the information reviewed by FirstWave includes forward-looking information. Forward-looking information is inherently unreliable and based on assumptions that may not be achieved or satisfied in future.

Analysis of acquisition

FirstWave has undertaken financial, business and other analyses of Opmantek to determine its attractiveness to FirstWave, and whether to pursue its acquisition. It is possible that such analyses, and the best-estimate assumptions made by FirstWave, draw conclusions and make forecasts that are inaccurate or which may not be realised.

To the extent that the actual results achieved by Opmantek are different to those indicated by FirstWave's analysis, there is a risk that the profitability and future earnings of the operations of FirstWave may be materially different from the profitability and earnings expected as reflected in this material.

Integration risk

There are risks that any integration between the businesses of FirstWave and Opmantek may be more complex than anticipated, take longer than expected, encounter unexpected challenges or issues and take longer than expected, divert management attention or not deliver the expected benefits and this may affect FirstWave's operating and financial performance. Further, the integration of Opmantek's accounting functions may lead to revisions, which may impact on FirstWave's reported financial results.

Historical liability

If FirstWave becomes Opmantek's ultimate parent company, FirstWave may become directly or indirectly liable for any liabilities that Opmantek has incurred in the past as a result of prior acts or omissions, including liabilities which were not identified during FirstWave's due diligence or which are greater than expected, and for which the various forms of protections negotiated by FirstWave in its agreement to acquire Opmantek turn out to be inadequate in the circumstances. Such liabilities may adversely affect the financial performance or position of FirstWave post-acquisition.

Key Risks (cont.)



Risks specifically relating to the Offer and the Combined Group:

Loss of Opmantek personnel

FirstWave is committed to providing attractive employment conditions and prospects, and an attractive employee environment to assist in the retention of Opmantek's key management personnel throughout the acquisition process. However, there can be no assurance that there will be no loss of key staff leading up to and following Opmantek's acquisition by FirstWave, assuming this occurs.

Dilution risk

The consideration for the Takeover Offer is the consideration set out on the front page of this material. If the Takeover Offer is completed, there will be a dilution for current FirstWave Shareholders as a result of the Consideration Shares being issued.

FirstWave's Due diligence

There is no assurance that the due diligence conducted in respect of the acquisition of Opmantek was conclusive and that all material issues and risks have been identified and avoided or managed appropriately.

There is a risk that unforeseen issues may arise, that may also have a material impact on the Merged Group (for example, FirstWave may later discover liabilities or defects which were not identified through due diligence or for which there is no protection for FirstWave).

This could adversely affect the operations, financial performance or position of the Merged Group.

General risks:

Contractual risks

The Combined Group will rely significantly on strategic relationships with other entities and also on a good relationship with regulatory and government departments and other interest holders. The Combined Group will also rely on third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed. The Combined Group could be adversely affected by changes to such relationships or difficulties in forming new ones.

Labour market and key personnel risks

FirstWave is dependent upon a number of key management personnel and executives to manage the day-to-day requirements of its businesses. Although FirstWave enters into employment and incentive arrangements with such personnel to secure their services, it cannot guarantee the retention of their services. The loss of the services of one or more key management personnel could have an adverse effect on the Combined Group.

FirstWave needs to be able to recruit appropriately skilled and qualified individuals. There can be no guarantee that personnel with the appropriate skills will be available.

Changes in Australian government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Combined Group, and consequent returns to investors. The activities of the Combined Group will be subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards, occupational health and safety and other matters.

Economic conditions

The operating and financial performance of the Combined Group is influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets, and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war, natural disasters or outbreaks of disease or pandemics. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Combined Group's operating and financial performance and financial position. The Combined Group's future possible revenues and share prices can be affected by these facts, which are beyond FirstWave's control.

Key Risks (cont.)



General risks:

Market conditions

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

- general economic outlook;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- terrorism or other hostilities;
- natural disasters; and
- outbreaks of disease or pandemics.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular.

The past performance of FirstWave is not necessarily an indication as to the future performance of FirstWave or the Combined Group as the trading price of shares can go up or down. Neither FirstWave nor the FirstWave Directors warrant the future performance of FirstWave or the Combined Group, or any return on an investment in FirstWave.

Insurance and uninsurable risks

Although FirstWave maintains insurance to protect against certain risks in such amounts as it considers reasonable, its insurance will not cover all potential risks associated with its operations, and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of FirstWave Shares.

Dividends

Any future determination as to the payment of dividends by the Combined Group will be at the discretion of the FirstWave Directors and will depend on the financial condition of the Combined Group, future capital requirements and general business and other factors considered relevant by the FirstWave Directors at the time. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Combined Group.

Taxation Risks

Future changes in Australian and international taxation laws in jurisdictions that FirstWave operates may affect taxation treatment of an investment in FirstWave shares, or the holding and disposal of those shares. Additionally, changes in tax law in the various jurisdictions in which FirstWave operates, may impact the future tax liabilities of FirstWave.

Litigation Risk

Disputes or litigation may arise from time to time in the course of the business activities of FirstWave. There is a risk that any material or costly dispute or litigation could adversely affect FirstWave's reputation, financial position, performance or prospects.

Foreign Selling Restriction



[This presentation and the information contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. This presentation may not be distributed or released in the United States. The securities referred to in this presentation have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities referred to in this presentation may not be offered or sold, directly or indirectly, in the United States absent registration or in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws.

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New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

The New Shares under the Entitlement Offer are not being offered or sold to the public in New Zealand other than to existing shareholders of FCT with registered addresses in New Zealand to whom the offer of New Shares under the Entitlement Offer is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016. This presentation has not been registered, filed or approved by any New Zealand regulatory authority. This presentation is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.]

Foreign Selling Restriction



Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance). No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities. The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA. This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore. Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Offer Management & Underwriting Agreement Summary



Purpose	FCT has appointed Morgans Corporate Limited (the Lead Manager) to manage and underwrite the Offer pursuant to the terms of an Underwriting Agreement entered into between the parties on or before the date of this announcement.
Conditions precedent	The obligations of the Lead Manager are subject to the satisfaction of certain conditions precedent documented in the Underwriting Agreement.
Termination events	<p>If certain conditions are not satisfied or the certain events occur, the Lead Manager may terminate the Underwriting Agreement. The events which may trigger termination of the Underwriting Agreement include (but are not limited to) the following:</p> <ul style="list-style-type: none">• (Offer Documents) the Offer Documents contain (whether by omission or otherwise) any statement which is false, misleading or deceptive or they otherwise do not comply with clause 4.1(g); (regulatory action) there is an application to a Government Agency for an order, declaration or other remedy, or a Government Agency commences any investigation or hearing or announces its intention to do so, in each case in connection with the Entitlement Offer (or any part of it) or any agreement entered into in respect of the Entitlement Offer (or any part of it);• (unable to issue Placement Shares) the Company is prevented from allotting and issuing the Placement Shares within the time required by the Timetable, Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Government Agency;• (unable to issue Offer Shares) the Company is prevented from allotting and issuing the Offer Shares within the time required by the Timetable, Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Government Agency;• (ASX approval) unconditional approval (or conditional approval, provided such condition would not, in the reasonable opinion of the Lead Manager, have a material adverse effect on the success of the Entitlement Offer) by ASX for official quotation of the Placement Shares or the Offer Shares is refused, or is not granted or will not be granted in the case of the Offer Shares, by the time indicated in the Timetable (or such later date agreed in writing by the Lead Manager in its absolute discretion) or is withdrawn on or before that time, or ASX makes an official statement to any person or indicates to the Company or the Lead Manager that official quotation of the Offer Shares will not be granted;• (Timetable) any event specified in the Timetable is delayed for more than 1 Business Day without the prior written approval of the Lead Manager (acting reasonably) except where such delay is a result of an act or omission of the Lead Manager;• (Listing) the Company ceases to be admitted to the official list of ASX or the ordinary shares in the Company are suspended from trading on, or cease to be quoted on, ASX (which does not include the existing trading halt or trading halt requested by the Company for the purposes of conducting the Entitlement Offer);• (Director) a director of the Company:<ul style="list-style-type: none">• is charged with an indictable offence relating to any financial or corporate matter;• any regulatory body commences any public action against the director in his or her capacity as a director of the Company or announces that it intends to take any such action; or• is disqualified from managing a corporation under the Corporations Act;• (withdrawal) the Company withdraws the Entitlement Offer;• (index change) the ASX/S&P All Ordinaries Index of ASX:<ul style="list-style-type: none">• closes on any Business Day before the Settlement Date at a level that is 10% or more below the ASX All Ords Starting Level and closes at 10% or more below that ASX All Ords Starting Level for at least 3 consecutive Business Days; or• closes on any of the 3 Business Days immediately before the Settlement Date at a level that is 10% or more below the ASX All Ords Starting Level and closes at or below that level on each subsequent Business Day (if any) before the Settlement Date;• (ASX announcements) the Company fails to lodge:<ul style="list-style-type: none">• the ASX Announcement; or• Investor Presentation; or• the Cleansing Notice, by 9.30am on the Announcement Date;• (future matters) any material statement or estimate in an Offer Document which relates to a future matter is not, in the reasonable opinion of the Lead Manager, based on reasonable grounds (including having regard to ASIC Regulatory Guide 170);• (defective Cleansing Notice) the Cleansing Notice is or becomes Defective or any amendment or update to the Cleansing Notice is issued or is required to be issued under the Corporations Act and where the Defective Cleansing Notice or amendment or update to the Cleansing Notice is adverse from the point of view of an investor;• (material adverse change) other than as fully set out in the Offer Documents or otherwise disclosed to ASX prior to the date of this agreement, there is a material adverse change, or there is a development involving a prospective material adverse change, in the business, assets, liabilities, financial position or performance, profits, losses, operations, results or prospects of the Company or the Group;• (Certificate) a Certificate which is required to be furnished by the Company under this agreement is not furnished when required or a statement in that Certificate is untrue, incorrect or misleading or deceptive in a material respect;

Offer Management & Underwriting Agreement Summary



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Termination events cont.	<ul style="list-style-type: none"> (disruption in financial markets or trading) there is: <ul style="list-style-type: none"> a suspension or material limitation in trading in securities generally or any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Hong Kong, New Zealand, the United Kingdom, the United States of America or the international financial markets or any change in national or international political, financial or economic conditions; or any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, Hong Kong, New Zealand, the United Kingdom, the United States of America or the international financial markets or any change in national or international political, financial or economic conditions; (misrepresentation) a representation or warranty made or given by the Company under this agreement proves to be, or has been, or becomes, untrue or incorrect; (change in law) there is introduced into the Parliament of the Commonwealth of Australia or any State or Territory of Australia a law or any new regulation is made under any law, or a Government Agency adopts a policy, or there is any official announcement on behalf of the Government of the Commonwealth of Australia or any State or Territory of Australia or a Government Agency that such a law or regulation will be introduced or policy adopted (as the case may be); (disclosures in Due Diligence Results) the Due Diligence Results or any other information supplied by or on behalf of the Company to the Lead Manager in relation to the Group or the Entitlement Offer is or becomes false or misleading or deceptive, including by way of omission; (breach) the Company fails to perform or observe any of its obligations under this agreement; (unauthorised alterations) without the prior written consent of the Lead Manager, the Company alters its share capital or its constitution; (hostilities) hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the United States, Australia, New Zealand, the United Kingdom, China or Hong Kong or the declaration by any of these countries of a national emergency (other than as a result of the COVID-19 pandemic) or war or a major terrorist act is perpetrated anywhere in the world; or (change in directors or management) a change (other than a change which has been disclosed prior to the date of this agreement) in: <ul style="list-style-type: none"> the senior management of the Company; or the directors of the Company, is announced or occurs.
Representations and Warranties	FCT gives customary representations and warranties in connection with (among other things) the Offer.
Undertakings	<p>FCT gives customary undertakings to the Lead Manager, including that (among other things):</p> <ul style="list-style-type: none"> (moratorium) not propose or activate any buy-back of any sub-ordinated debt security or equity security of the Company, scheme of arrangement or allot or agree to allot, or indicate in any way that it will or might, allot or agree to allot any equity securities or other form of securities exchangeable for or convertible into equity securities (including any hybrid securities), or grant or agree to grant any options in respect of such securities in the Company (or do anything economically equivalent to any of the foregoing), until the date that is 120 days after the Settlement Date, without first obtaining the consent of the Lead Manager (not to be unreasonably withheld or delayed), other than any issue of such securities: <ol style="list-style-type: none"> under: <ul style="list-style-type: none"> the Placement; the Entitlement Offer; the Takeover Offer; an employee or director incentive plan; or a currently existing dividend reinvestment plan (excluding any issue of securities to any Lead Manager of such a plan); or where an issue of securities is required as a consequence of the exercise of options or performance rights currently on issue.
Underwriting fee	The Lead Manager will be paid an underwriting and management fee of 6.00% of the proceeds of the Offer. e Lead Manager will be responsible for payment of all broker fees and fees payable to any validly appointed broker or sub-underwriter.
Indemnity and release	<ul style="list-style-type: none"> The Company agrees, to the maximum extent permitted by law, to indemnify, hold harmless and keep indemnified each Indemnified Party from and against all Losses directly or indirectly suffered by, or Claims made against, an Indemnified Party arising out of or in connection with the Entitlement Offer or the appointment of the Lead Manager and the Underwriter under this agreement Each warranty, indemnity and release in this agreement are continuing obligations, independent from the other obligations of the Company under this agreement and continue after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this agreement.

Thank you