



FIRSTWAVE
CLOUD SECURITY TECHNOLOGY

22 November 2018: ASX Company Announcements Platform

ISSUE OF NEW SHARES AND UNLISTED OPTIONS

FirstWave Cloud Technology Limited (ASX: FCT) (FirstWave or Company) is pleased to announce that it has today issued the following securities:

- 9,998,000 unlisted options; and
- 1,086,957 ordinary shares.

Details of the issues of each of the above securities are detailed below:

Unlisted Options

The unlisted options were issued to the following persons pursuant to shareholder approval at the Company's Annual General Meeting on 9 November 2018:

- 4,998,000 unlisted options to David Kirton;
- 4,000,000 unlisted options to Neil Pollock; and
- 1,000,000 unlisted options to Lafayette Enterprise Pty Ltd, a nominee of Sam Saba.

The options vest in three equal tranches on 1 July 2019, 1 July 2020 and 1 July 2021, subject to each individual's continued employment with the Company (or, in the case of Mr Saba, subject to his continued tenure as a director of the Company).

The exercise price of each tranche is as follows:

Tranche 1: \$0.29

Tranche 2: \$0.40

Tranche 3: \$0.52

The options will expire five years from the date of vesting.

Shares

The shares were issued to Simon Moore, as approved by shareholders at the Company's Annual General Meeting on 9 November 2018, at an issue price of \$0.23 per share to raise a total of \$250,000.

Accompanying this announcement is an Appendix 3B in relation to the issues.

- ENDS -

For further information, please contact:

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Company Secretary
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FirstWave Cloud Technology Ltd ABN: 35 144 733 595 (ASX: FCT)

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Follow FCT on its Twitter investor relations feed: https://twitter.com/Firstwave_FCT

About FirstWave Cloud Technology

Australian cloud technology company, FirstWave, operates a technology business in the burgeoning cloud based IT managed security services market, having created an intelligent carrier grade cloud security platform for business. FirstWave has delivered Security as a Service (SaaS) solutions since 2004 in a form similar to what we call “cloud” today. FirstWave offers a comprehensive cloud security and analytics technology solutions suite that, along with advanced mail, web & next generation firewall (NGFW) content controls, now offers unified, integrated x-threat vector advanced malware protection technology solution for any business or enterprise moving to or operating in the cloud. More at www.firstwavecloud.com



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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

FirstWave Cloud Technology Limited

ABN

35 144 733 595

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

(1) Unlisted options
(2) Ordinary fully paid shares
(3) Lapsed options

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

(1) 9,998,000 unlisted options
(2) 1,086,957 ordinary shares
(c) 3,000,000 lapsed options

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

(1) Unlisted options

The unlisted options were issued to the following persons pursuant to shareholder approval at the Company's AGM on 9 November 2018:

- (a) 4,998,000 unlisted options to David Kirton;
- (b) 4,000,000 unlisted options to Neil Pollock; and
- (c) 1,000,000 unlisted options to Lafayette Enterprise Pty Ltd, a nominee of Sam Saba.

All of the unlisted options carry the same terms.

The options vest in three equal tranches on 1 July 2019, 1 July 2020 and 1 July 2021, subject to each individual's continued employment with the Company (or, in the case of Mr Saba, subject to his continued tenure as a director of the Company).

The exercise price of each tranche is as follows:

- Tranche 1: \$0.29
- Tranche 2: \$0.40
- Tranche 3: \$0.52

The options will expire five years from the date of vesting.

(2) Shares

The shares are fully paid ordinary shares and will rank equally with all other shares on issue.

(3) Lapsed options

3,000,000 unlisted options that were issued to Drew Kelton on 12 May 2016 have lapsed following his resignation as director of the Company.

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p><u>(1) Unlisted options</u></p> <p>No.</p> <p><u>(2) Shares</u></p> <p>Yes.</p> <p><u>(3) Lapsed options</u></p> <p>N/A</p>
<p>5 Issue price or consideration</p>	<p><u>(1) Unlisted options</u></p> <p>Nil</p> <p><u>(2) Shares</u></p> <p>\$250,000 (\$0.23 per share).</p> <p><u>(3) Lapsed options</u></p> <p>N/A</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p><u>(1) Unlisted options</u></p> <p>Issue of options to David Kirton, Neil Pollock and Lafayette Enterprise Pty Ltd (a nominee of Sam Saba) approved by shareholders pursuant to resolutions 4, 5 and 10 respectively at the Company's AGM on 9 November 2018.</p> <p><u>(2) Ordinary fully paid shares</u></p> <p>Issue of shares to Simon Moore, approved by shareholders pursuant to resolution 11 at the Company's AGM on 9 November 2018.</p> <p><u>(3) Lapsed options</u></p> <p>Lapse of options on resignation of Drew Kelton as director of the Company.</p>

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>9 November 2018</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>
<p>6e Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>(1) 9,998,000 unlisted options issued pursuant to shareholder approval obtained at the Company's AGM on 9 November 2018.</p> <p>(2) 1,086,957 ordinary shares issued pursuant to shareholder approval obtained at the Company's AGM on 9 November 2018.</p>
<p>6f Number of +securities issued under an exception in rule 7.2</p>	<p>Nil</p>
<p>6g If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.</p>	<p>N/A</p>
<p>6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements</p>	<p>N/A</p>
<p>6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements</p>	<p>Under rule 7.1 - 33,873,009 Under rule 7.1A - 22,582,006 <u>Total - 56,455,015</u></p>

+ See chapter 19 for defined terms.

7 **+Issue dates**

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

21 November 2018

8 Number and **+class** of all **+securities** quoted on ASX (*including* the **+securities** in section 2 if applicable)

Number	+Class
225,820,062 (including 33,685,016 ordinary shares subject to a 6 month voluntary escrow until 20 November 2018)	Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9	24,618,000	<p><u>Unlisted options</u></p> <p>9,998,000 on the terms outlined in this Appendix 3B dated 21 November 2018.</p> <p>1,000,000 on the terms outlined in the Appendix 3B dated 30 November 2017;</p> <p>100,000 issued on 3 July 2017 vesting on 1 June 2018 with an exercise price of \$0.65 and expiring 5 years from vesting.</p> <p>100,000 issued on 3 July 2017 vesting on 1 June 2019 with an exercise price of \$0.65 and expiring 5 years from vesting.</p> <p>300,000 issued on 3 July 2017 vesting on 1 June 2019 with an exercise price of \$0.76 and expiring 5 years from vesting.</p> <p>500,000 issued on 3 July 2017 vesting on 1 June 2020 with an exercise price of \$0.87 and expiring 5 years from vesting.</p> <p>5,660,000 on the terms outlined in the Appendix 3B dated 8 August 2016</p> <p>6,960,000 on the terms outlined in the Appendix 3B dated 12 May 2016</p>
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
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+ See chapter 19 for defined terms.

12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

- 32 How do security holders dispose of their entitlements (except by sale through a broker)? N/A
- 33 ⁺Issue date N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)
- (a) ⁺Securities described in Part 1
- (b) All other ⁺securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

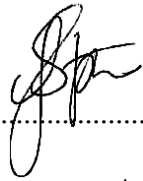
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:
2018
(Company secretary)



Date: 22 November

Print name: Gai Stephens

+ See chapter 19 for defined terms.

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	199,559,217
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>25,173,888 (May 2018 placement to institutional investors ratified by shareholders at the Company's AGM on 9 November 2018)</p> <p>1,086,957 (November 2018 placement to Simon Moore, approved by shareholders at the Company's AGM on 9 November 2018)</p>
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	0
“A”	225,820,062

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	33,873,009
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	0
“C”	0
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	33,873,009
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	0
<p>Total [“A” x 0.15] – “C”</p>	<p>33,873,009</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	225,820,062
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	22,582,006
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	0
“E”	0

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	22,582,006
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	22,582,006 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.