30 August 2019

The Companies Announcements Office
The Australian Securities Exchange Limited
Sydney NSW

Appendix 4D – Half Year Report

1. Name of Entity — **WhiteHawk Limited**
ABN 97 620 459 823

Half year ended	30 June 2019
Reporting period	1 January 2019 to 30 June 2019
Previous period	1 January 2018 to 30 June 2018

2. Results for announcement to the market

		30 June 2019 US$	30 June 2018 US$	% Change Up (Down)
2.1	Revenues from continuing operations	284,870	240,526	18.44%
2.2	Loss from continuing operations after tax attributable to members	(1,646,670)	(1,633,078)	0.83%
2.3	Net loss attributable to members	(1,646,670)	(1,633,078)	0.83%
2.4	Proposed dividends	Nil	Nil	-
2.5	Not applicable			

2.6 Revenue improved with a renewal sale of 360 Cyber Risk Framework and the start of previously delayed government contract. Operating expenses remain relatively the same as last year with continued focus on allocating resources to marketing of sales channels and the continued development of WhiteHawk's online exchange.

		30 June 2019 US$	31 December 2018 US$	% Change Up (Down)
3.	Net tangible asset per security	0.0141	0.0068	107.35%

4. There were no entities for which control was gained or lost during the period.

5. There were no payments of dividends during the reporting period.

6. There is no dividend reinvestment plan in operation.

7. There are no associates or joint venture entities.

8. The Company is not a foreign entity.

9. The accounts are not subject to any audit dispute or qualification.

The Group's half year report follows.

Yours sincerely,

Terry Roberts
Chief Executive Officer
WhiteHawk Limited
30 August 2019

WHITEHAWK

WhiteHawk Limited

Interim Consolidated Financial Report

For the Six Months Ended 30 June 2019

ABN: 97 620 459 823

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Corporate Information

Directors

Terry Roberts
Philip George
Louise McElvogue
Tiffany Kleeman

Registered Office

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Perth WA 6000

Share Registry

Automic Registry Services
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Perth WA 6000

Company Secretary

Kevin Kye

ASX Code

WHK

Website

http://www.whitehawk.com

Accountant

Traverse Accountants
Level 3
35 Lime Street
Sydney NSW 2000
Australia

Auditor

RSM Australia Partners
Level 13
60 Castlereagh Street
Sydney NSW 2000
Australia

Lawyer

Steinepreis Paganin
Level 4, The Read Buildings,
16 Milligan Street
Perth WA 6000
Australia

Directors' Report

Your directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of WhiteHawk Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the half-year ended 30 June 2019.

DIRECTORS

The following persons were directors of the Company during the financial year and up to the date of this report:

TERRY ROBERTS *Chief Executive Officer and Chairwoman*

PHILIP GEORGE *Non-Executive Director*

LOUISE MCELVOGUE *Non-Executive Director*

TIFFANY KLEEMAN *Non-Executive Director*

CHIEF EXECUTIVE OFFICER

TERRY ROBERTS

COMPANY SECRETARY

KEVIN KYE

PRINCIPAL ACTIVITIES AND STRATEGY

The Corporation operates the first online, cyber security exchange, simplifying how companies and organizations identify, prioritize and mitigate cyber risks to their business' revenue and reputation. Leveraging an Artificial Intelligence (AI) Cyber Risk Profile online questionnaire, customer top cyber risks are matched to tailored solutions on demand. This accessible platform enables customers to leverage their tailored Business Risk Story to find affordable and impactful cyber tools, content, and relevant services through WhiteHawk algorithms and expertise, thereby understanding how to prevent, mitigate and stay ahead of today's ever evolving cyber threats. www.whitehawk.com.

Primary motivators for SMB's to take smart action to address their risk to online crime and fraud is: in response to a cybercrime (after the fact); if they have a contract with a large government or industry customer and are held accountable; if they are enabled with foundational services by their bank or cyber liability insurance company. With this in mind, the Corporation has mapped our SaaS product lines, online platform and virtual cyber analyst services to these sales channels; creating, piloting and selling:

1) 360 Cyber Risk Frameworks – Integrated SaaS platforms for government and industry supply chain and vendor company risk identification, prioritization and mitigation in near real time.
2) SMB Cyber Risk Profiles and Scorecards – AI driven and automated cyber risk identification, prioritization and mitigation non-technical reports from the WhiteHawk online platform, which include virtual consultations from our Cyber Analyst, to guide customer companies and organizations through the online process.

3) Integrated SMB SaaS offering with Sontiq/EZShield, that provides foundational Digital Age business risk solutions to include: Identity Theft, Financial Fraud, Mobile Device Security and Cyber Risk Profile and Solution Options.

As the corporation continues to prove the value of innovative, automated solutions in multiple industries, we continue to expand our current and future pipeline of customers to include: U.S. Defense Industrial Base; Financial & Insurance Sectors; Manufacturing and Government Departments and Agencies.

RECENT HIGHLIGHTS

- Second subcontract signed and commenced with a separate U.S. Federal Government Department
- Signed 360 Cyber Risk Framework contract extension on existing contract with a top 12 U.S. Defense Industrial Base (DIB) company
- Signed 360 Cyber Risk Framework second contract extension on existing contract with a top 10 financial institution
- Conducting two new Proof of Value 360 Cyber Risk Frameworks with the Insurance and Manufacturing Sectors respectively
- Down selected by U.S. Cyber Command Innovation Accelerator Dreamport with four other companies for an Other Transaction Authority (OTA) Request for Proposals (RFP)
- Continued to advance Risk Framework pipeline of five manufacturing and DIB Fortune 1000 companies
- Global sales channel developed through integration with EZShield/Sontiq - there are currently three contract discussions with financial institutions and insurance groups as a result of this partnership
- Commenced international expansion through partnership with Global Cyber Alliance
- Advanced development of 360 Cyber Risk Framework technology platform, by automating generation of Small and Midsize Enterprises (SME) Cyber Risk Scorecards
- Delayed customer execution of major Government Department CIO, has resulted in delayed tasking and revenue for 2019
- Raised AUD$2.5M in an oversubscribed placement (before costs)
- WhiteHawk finishes quarter with a strong cash position of USD$1.9M.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the Group's state of affairs occurred during the financial period.

MATTERS SUBSEQUENT TO BALANCE DATE

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect:

a) The Group's operations in future financial years; or
b) The results of those operations in future financial years; or
c) The Group's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this statement because the directors believe it could potentially result in unreasonable prejudice to the Group.

MATERIAL RISK EXPOSURE

The Board considers that adequate systems are in place to manage the Group's obligations and is not aware of Group's material exposure to economic, environmental and social sustainability risks.

ENVIRONMENTAL REGULATION

The Group's operations are not subject to any significant environmental regulation under either Commonwealth or State legislation. The Board considers that adequate systems are in place to manage the Group's obligations and is not aware of any breach of environmental requirements as they relate to the Group.

DIVIDENDS

No dividends were paid to members during the half year ended 30 June 2019 (2018: US $Nil).

INDEMNIFICATION OF OFFICERS

During the financial year the Group paid premiums in respect of a contract insuring Directors and Executives against a liability incurred in the ordinary course of business.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations instrument to the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration is set out on page 8.

AUDITOR

RSM Australia Partners is the Company's appointed auditor.

Terry Roberts
Chief Executive Officer
30 August 2019

RSM Australia Partners
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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of WhiteHawk Limited for the half year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

GNS

G N SHERWOOD
Partner

Sydney, NSW
Dated: 30 August 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2019

	Notes	For the Six Months Ended 30 Jun 2019 US$	For the Six Months Ended 30 Jun 2018 US$
Revenue		284,870	240,526
Cost of sales		(170,518)	(151,148)
Gross profit		114,352	89,378
Other income		90,450	9,070
Research and development expenses		(403,372)	(302,314)
Professional expenses		(118,719)	(169,858)
Employee benefits expense		(433,788)	(468,559)
Share based payments expense		(186,058)	(147,983)
IT expenditure		(10,273)	(5,697)
Conference and travel expenditure		(38,112)	(54,614)
Marketing expenditure		(196,230)	(211,167)
Office and occupancy expenses		(41,989)	(63,345)
Amortisation and depreciation		(300,909)	(129,386)
Finance costs		-	(2,508)
General and administration expenses		(122,022)	(176,095)
Loss before income tax		(1,646,670)	(1,633,078)
Income tax expense		-	-
Loss for the year		(1,646,670)	(1,633,078)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation foreign operations		(21,283)	(8,646)
Total comprehensive loss for the year		(1,667,953)	(1,641,724)
Loss per share			
- Basic/diluted losses per share (US cents)		(1.28)	(2.35)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Notes	As at 30 Jun 2019 US$	As at 31 Dec 2018 US$
ASSETS			
Current Assets			
Cash and cash equivalents		1,875,130	1,292,191
Trade receivable and other assets		226,431	213,185
Financial assets	3	417,130	-
Total Current Assets		2,518,691	1,505,376
Non-Current Assets			
Property, plant and equipment		15,167	13,485
Intangible assets	4	1,060,802	1,356,840
Total Non-Current Assets		1,075,969	1,370,325
Total Assets		3,594,660	2,875,701
LIABILITIES			
Current Liabilities			
Trade and other payables		220,366	531,011
Contract liabilities		87,000	-
Financial liabilities		-	261,755
Total Current Liabilities		307,366	792,766
Total Liabilities		307,366	792,766
Net Assets		3,287,294	2,082,935
EQUITY			
Contributed equity	5	11,175,429	8,489,174
Reserves	6	313,371	148,596
Accumulated losses		(8,201,506)	(6,554,835)
Total Equity		3,287,294	2,082,935

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2019

	Notes	Contributed equity US$	Accumulated losses US$	Reserves US$	Total US$
2018					
At 1 January 2018		7,299,960	(3,075,321)	(134,822)	4,089,817
Loss for the year		-	(1,633,078)	-	(1,633,078)
Other comprehensive loss		-	-	(8,646)	(8,646)
Total comprehensive loss		-	(1,633,078)	(8,646)	(1,641,724)
Transactions with owners in their capacity as owners					
Issued capital net of issue costs	5	69,210	-	-	69,210
Performance rights expense	6	-	-	147,983	147,983
At 30 June 2018		7,369,170	(4,708,399)	4,515	2,665,286
2019					
At 1 January 2019		8,489,174	(6,554,835)	148,596	2,082,935
Loss for the year		-	(1,646,670)	-	(1,646,670)
Other comprehensive loss		-	-	(21,283)	(21,283)
Total comprehensive loss		-	(1,646,670)	(21,283)	(1,667,953)
Transactions with owners in their capacity as owners					
Issued capital net of issue costs	5	2,847,962	-	-	2,847,961
Performance rights expense	6	(161,707)	-	186,058	24,351
At 30 June 2019		11,175,429	(8,201,505)	313,371	3,287,294

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2019

	Notes	For the Six Months Ended 30 Jun 2019 US$	For the Six Months Ended 30 Jun 2018 US$
Cash flows from operating activities			
Receipts from customers		134,895	71,508
Payments to suppliers and employees		(1,431,184)	(1,993,539)
Interest received		3,036	6,058
Interest paid		(11,755)	-
Net cash outflow from operating activities	8	(1,305,008)	(1,915,973)
Cash flows from investing activities			
Payments for plant and equipment		(3,750)	-
Bonds paid		-	(990)
Net cash outflow from investing activities		(3,750)	(990)
Cash flows from financing activities			
Loans to other entities		(357,553)	-
Realised gain on loan facility		16,512	-
Repayment of borrowings		(250,000)	-
Proceeds from conversion of options		14,328	-
Proceeds from the issue of shares		2,639,790	-
Transaction costs related to issues of shares, convertible notes or options		(168,871)	(465,390)
Net cash inflow/(outflow) from financing activities		1,894,206	(465,390)
Net increase/(decrease) in cash and cash equivalents		585,448	(2,382,353)
Cash and cash equivalents at the beginning of the financial year		1,292,191	3,681,997
Foreign exchange adjustment to cash balance		(2,509)	(23,708)
Cash and cash equivalents at end of the year		1,875,130	1,275,936

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements and notes represent those of the consolidated entity (referred to hereafter as the 'Group') consisting of WhiteHawk Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the six months ended 30 June 2019.

BASIS OF PREPARATION

These general purpose interim financial statements have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2018 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

ACCOUNTING POLICIES

A. Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the discharge of liabilities in the normal course of business.

As disclosed in the half-year interim financial report, the Group incurred a loss after tax of $1,646,670 (2018: $11,633,078) and had net cash outflows from operating activities of $1,915,972 for the half year ended 30 June 2018 (2018: $1,915,972). As at that date the Group had net current assets $2,211,325 (31 December 2018: $712,610) and net assets of $3,287,294 (31 December 2018: $2,082,935). The ability to continue as a going concern is dependent on the company achieving its revenue targets, obtaining additional funding, or a combination of the two.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- If required, the Group has the ability to continue to raise additional funds on a timely basis pursuant to the Corporations Act 2001;
- the Group has the ability to further scale back some of its development activities if required.

Accordingly, the directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

B. Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- financial assets at amortised cost
- financial assets at fair value through profit or loss (FVPL)
- debt instruments at fair value through other comprehensive income (FVOCI)
- equity instruments at fair value through other comprehensive income (FVOCI)

Classifications are determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Debt instruments at fair value through other comprehensive income (Debt FVOCI)

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of collecting the contractual cash flows and selling the assets are accounted for at FVOCI. Any gains or losses recognised in OCI will be recycled upon derecognition of the asset.

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI. Under this category, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss. Dividend income is taken to profit or loss unless the dividend clearly represents return of capital.

Impairment of financial assets

AASB 9's new impairment model use more forward looking information to recognize expected credit losses - the 'expected credit losses (ECL) model'. The application of the new impairment model depends on whether there has been a significant increase in credit risk.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

C. New Accounting Standards and Interpretations not yet mandatory or early adopted

The new Australian Accounting Standard AASB 16 *Leases* was adopted in the period.

Under AASB 16, all leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case The Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of The Group if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When The Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

A detailed assessment of the impact of AASB 16 has been performed and the Standard does not to have a material impact on the transactions and balances recognised in the financial statements. No adjustment was required for comparative information as all operating leases in the prior financial year were less than 12 months and no adjustment has been made to opening accumulated losses.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the reporting period ended 30 June 2019. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

3. FINANCIAL ASSETS

	As at 30 Jun 2019 US$	As at 31 Dec 2018 US$
Financial assets at fair value through profit or loss (FVPL)		
Equity swap loan receivable	417,130	-
Closing balance	**417,130**	-
Balance at beginning of the year	-	-
Equity swap loan proceeds paid to	508,760	-
Repayments received in period	(160,649)	-
Net gain on the facility in the period	69,019	-
Balance at end of year	**417,130**	-

During the period, the Company entered into an Equity Swap Agreement ("ESA") for A$700,000 with RiverFort Global Opportunities PCC Ltd ("RiverFort").

Under the ESA, WhiteHawk will receive 1/12th of the Equity Swap amount of A$700,000 each month plus an amount that represents 50% of the difference between 7.15cents (the Benchmark Price) and the market price for a month calculated on an aggregate of 10 lowest daily volume weighted average prices in that month (Market Price). Conversely, if the Market Price is below the Benchmark Price in that month, then WhiteHawk would receive that month's portion of the Principal Amount less the difference between the Market Price and Benchmark Price.

The Equity Swap is expected to have a term of 12 months but may be extended or settled earlier depending on ASX monthly market trading volumes of WhiteHawk shares.

4. INTANGIBLE ASSETS

Capitalised website development costs	1,776,227	1,776,227
Accumulated amortisation	(715,425)	(419,387)
Closing balance	1,060,802	1,356,840
Balance at beginning of the year	1,356,840	1,310,680
Additions	-	465,547
Amortisation	(296,038)	(419,387)
Balance at end of year	1,060,802	1,356,840

5. CONTRIBUTED EQUITY

A. SHARE CAPITAL

	As at 30 June 2019		As at 31 December 2018	
	No. of Shares	US$	No. of Shares	US$
Ordinary shares				
At the beginning of the year	107,023,340	8,489,174	69,502,498	7,299,960
Issue of shares	47,081,950	2,833,452	1,846,330	118,603
Options converted	205,005	14,510	-	-
Performance rights converted	3,600,000	-	-	-
Entitlements issue	-	-	35,674,512	1,160,456
Share issue expenses	-	(161,707)	-	(89,845)
	157,910,295	**11,175,429**	**107,023,340**	**8,489,174**

Ordinary shares

Each ordinary shareholder maintains, when present in person or by proxy or by attorney at any general meeting of the Company, the right to cast one vote for each ordinary share held.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

B. OPTIONS

As at the date of this report, the following options over unissued ordinary shares were on issue:

1. 10,000,000 unlisted options expiring 23 January 2023, exercisable at AU$0.20 each;
2. 9,125,000 unlisted options expiring 23 January 2020, exercisable at AU$0.25 each;
3. 8,888,889 unlisted options expiring 12 November 2020, exercisable at AU$0.10 each;
4. 316,700 unlisted options expiring 31 October 2020, exercisable at AU$0.10 each;
5. 1,987,271 unlisted options expiring 22 October 2020, exercisable at AU$0.10 each;
6. 6,439,405 unlisted options expiring 26 October 2020, exercisable at AU$0.10 each.

C. PERFORMANCE RIGHTS

As at the date of this report, the following performance rights over unissued ordinary shares were on issue:

1. 13,000,000 unlisted performance rights (the "Milestone Rights") convertible into ordinary shares at 1:1 ratio subject to Milestone completion;
2. 2,400,000 unlisted performance rights convertible into ordinary shares at 1:1 ratio. 600,000 performance rights will vest and convert into the equivalent number of shares for each year of service completed by recipient Directors, up to a period of 4 years;
3. 3,000,000 unlisted performance rights convertible into ordinary shares at 1:1 ratio. 1,500,000 performance rights will vest and convert into the equivalent number of shares when the 5-day VWAP of Shares exceeds $0.1695. 1,500,000 performance rights will vest and convert into the equivalent number of shares when the 5-day VWAP of Shares exceeds $0.1978.

The Milestone Rights are subject to the following milestones:

(a) Class A Performance Rights: 4,333,333 convert upon the Company's Share price increasing 100% above the IPO Share price (based on a five (5) consecutive day VWAP), and the Company (either directly or through its subsidiaries, including WhiteHawk US) achieving at least one of the following;
  - (i) consolidated revenues of $2 million from the WhiteHawk US business; or
  - (ii) 300 customer products; or
  - (iii) 500 online contracts;

(b) Class B Performance Rights: 4,333,333 convert upon the Company's Share price increasing 200% above the IPO Share price (based on a five (5) consecutive day VWAP), and the Company (either directly or through its subsidiaries, including WhiteHawk US) achieving at least one of the following;
  - (i) consolidated revenues of $5 million from the WhiteHawk US business; or
  - (ii) 1,000 customer products; or
  - (iii) 2,500 online contracts.

(c) Class C Performance Rights: 4,333,334 convert upon the Company's Share price increasing 300% above the IPO Share price (based on a five (5) consecutive day VWAP), and the Company (either directly or through its subsidiaries, including WhiteHawk US) achieving at least one of the following;
  - (i) consolidated revenues of $10 million from the WhiteHawk US business; or
  - (ii) 2,000 customer products; or
  - (iii) 5,000 online contracts.

6. RESERVES

	Performance Rights Reserve	Foreign Currency Translation Reserve	Total Reserves
Balance at 1 January 2019	321,428	(172,832)	148,596
Foreign currency translation differences arising during the year	-	(21,283)	(21,283)
Performance rights vesting expense recognised	186,058	-	186,058
Balance at 30 June 2019	**507,486**	**(194,115)**	**(313,371)**

7. SEGMENT INFORMATION

The Group operates in the retail, consulting and business intelligence segments being a business to business (B2B) e-commerce cybersecurity exchange. WhiteHawk CEC Inc is a Delaware, USA corporation with operations based in Alexandria VA, USA and offices in Alexandria VA, USA and Perth, Australia.

This operating segment is monitored by the Group's chief operating decision makers and strategic decisions are made on the basis of adjusted segment operating results. The chief operating decision makers of the Group are the Chief Executive Officer and Chief Financial Officer.

The following tables present certain asset and liability information regarding geographical segments for the period ended 30 June 2019 and 30 June 2018 and this is the format of the information provided to the chief operating decision maker.

Segment performance

	Australia		USA		Total	
	June 2019 US$	June 2018 US$	June 2019 US$	June 2018 US$	June 2019 US$	June 2018 US$
External sales	-	-	284,870	240,526	284,870	240,526
Total segment revenue	**-**	**-**	**284,870**	**240,526**	**284,870**	**240,526**
Segment operating result	(486,205)	(415,022)	(1,144,426)	(1,326,688)	(1,630,631)	(1,501,184)
EBITDA	**(486,205)**	**(415,022)**	**(859,556)**	**(1,086,162)**	**(1,345,761)**	**(1,501,184)**
Depreciation and amortisation	-	-	(300,909)	(129,386)	(300,909)	(129,386)
Finance costs	-	-	-	(2,508)	-	(2,508)
Loss before income tax expense	(486,205)	(415,022)	(1,160,465)	(1,218,056)	(1,646,670)	(1,633,078)
Income tax expense	-	-	-	-	-	-
Loss after income tax expense	(486,205)	(415,022)	(1,160,465)	(1,218,056)	(1,646,670)	(1,633,078)

Assets and liabilities

	June 2019 US$	December 2018 US$	June 2019 US$	December 2018 US$	June 2019 US$	December 2018 US$
Segment assets	2,314,087	295,442	1,280,572	2,580,259	3,594,659	2,875,701
Segment liabilities	21,931	36,761	285,435	756,005	307,366	792,766

8. RECONCILIATION OF LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	For the Six Months Ended 30 Jun 2019	For the Six Months Ended 30 Jun 2018
Loss for the year	(1,646,670)	(1,633,078)
Depreciation expense	300,909	129,386
Share-based employee payments expense	186,058	147,982
Share-based supplier payments expense	219,205	62,942
Unrealised foreign exchange	(40,228)	-
Other non-cash transactions	(87,403)	36,360
Change in operating assets and liabilities		
Decrease/(Increase) in trade and other receivables	(13,233)	(178,161)
Increase in trade and other payables	(223,646)	(481,404)
Net cash outflow from operating activities	**(1,305,008)**	**(1,915,973)**

9. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect:

a) The Group's operations in future financial years; or
b) The results of those operations in future financial years; or
c) The Group's state of affairs in future financial years.

10. FAIR VALUE MEASUREMENT

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
	$	$	$	$
30 June 2019				
Financial Assets				
Equity swap agreement (FVPL)	-	417,130	-	417,130
Total	**-**	**417,130**	**-**	**417,130**
Net fair value	**-**	**417,130**	**-**	**417,130**
30 June 2018				
Financial Assets	-	-	-	-
Total	**-**	**-**	**-**	**-**
Net fair value	**-**	**-**	**-**	**-**

Measurement of fair value of financial instruments

The Company's financial asset is not traded in an active market. The fair value of the receivable under the ESA is estimated based on the current share price of WHK.AX, adjusted according to the formula provided under the ESA (see Note 3).

DECLARATION BY DIRECTORS

In the directors' opinion:

(a) the financial statements and notes set out on pages 9 to 21 are in accordance with the Corporations Act 2001, including:

  (i) giving a true and fair view of the financial position of the Group as at 30 June 2019 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date;

  (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that WhiteHawk Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Terry Roberts
Chief Executive Officer and Chair
30 August 2019

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF WHITEHAWK LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of WhiteHawk Limited which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 30 June 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of WhiteHawk Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of WhiteHawk Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of WhiteHawk Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS

GNS

Sydney, NSW
Dated: 30 August 2019

G N Sherwood
Partner