

THE DEMORGAN LTD GROUP OF COMPANIES TO RECEIVE UP TO \$54 MILLION FROM AUSINDUSTRY R&D TAX REBATE SCHEME

Australia's fastest Top500 HPC is dedicated to Cryptocurrency and smart contract research

Sydney, NSW, May 11, 2015– DeMorgan Ltd is please to advise that the companies in its controlled group have satisfied the requisite criteria under AusIndustry's R&D Tax Incentive Scheme for an advance finding with respect to R&D activities conducted in the development of smart contract and Blockchain based technologies.

Under the scheme, companies with a turnover of less than \$20 million are entitled to a cash refund of up to 45 cents per dollar spent on eligible research and development activity. Accordingly, DeMorgan Ltd and controlled companies is eligible to receive up to approximately \$54,000,000 R&D cash rebate for R&D activities conducted in the 2014/2015 financial year.

CEO Dr Craig Wright said "This rebate will strengthen the group's cash position and is an important source of funds for our development activities. We acknowledge the Government's support of important R&D activities, and we look forward to the successful commercialisation of our Blockchain and smart contract systems research."

The approval of the largest Research and Development Advance Finding and Core Technology reviews in Australian history from AusIndustry for Coin-Exch Pty Ltd, Denariuz Pty Ltd and Cloudcroft Pty Ltd and related companies in our group have allowed us to tune our Supercomputers to an Rmax (Tflop/s): 2,468.15 and 939.67 respectively. We expect that this will place us in the top 20 super computers globally and the fastest computer managed in the southern hemisphere accelerating Australia into a position that is well above its weight. This will result in increased technology development in Australia and help lead our country into a global leadership position.

Our CEO, Dr Wright is excited that this will allow us to start accelerating crypto currency and smart contract and property research to new levels in the southern hemisphere and to create opportunities in Australia that have not been imagined before.

In the coming years, we will be looking to expand our involvement in the region with the creation of a combined CuDA/Xeon Phi hybrid system that we are looking to develop in conjunction with SGI. Success in this endeavor would make Australia a global leader in HPC technology as well as in the emerging crypto-currency financial fields.

Mr McKeon of SGI has stated that they "look forward to a long, sustained relationship" and that together our companies will reach the highest ranks of the Top500 list.

Our company, Interconnected Research Pty Ltd is the only government authorized R&D research provider and accelerator dedicated to fostering crypto-currency specific research with the ability to allow companies to claim up to 43.5 cents in every dollar back as a rebate through the AusIndustry R&D program.

As a way of returning something to the community we are offering a free course on our systems and providing access to one of the world's fastest HPC systems in conjunction with IT Masters and Charles Sturt University.

DeMorgan is a pre-IPO Australian listed company focused on alternative currency, next generation banking and reputational and educational products with a focus on security and creating a simple user experience. In the six years since the first company in the group started, we have completed several Bitcoin based research projects that have lasted over 6 years and are now ready to start commercialisation.

Contacts

Craig S Wright

0417 683 914

mailto: info@demorgan.com.au