Stakeholder News

April 30, 2018

CEO Confidential Corner

Greetings to my fellow Stakeholders,

With the first quarter behind us, and a month into the second, I am happy to report the Company has made significant progress. We have three company prospects interested in a specific Sertainty solution that will soon come out of testing and be ready for primetime. This first Sertainty-owned solution is needed by hundreds of companies who all have similar challenges with no obvious acceptable fix in sight. Continued mismanagement and theft of sensitive data is forcing the market to look for new, innovative solutions. All these events continue to build stakeholder value.

Another major accomplishment that is nearing completion is the conversion of our current engineering development platform, known as QT, to a new platform. This new platform is significantly more cost-effective to the Company and to our customers, and will give us greater cost-competitiveness in the commercial marketplace. We are positioning the Company very well for growth over the next several years.

Furthermore, I would like to introduce our two newest additions filling some major needs within our executive suite. First, join me in welcoming Robin Bienfait as our acting Chief Technology Officer (CTO). Robin first joined the Company late last year as an Advisory Board member. Robin is a global senior executive with 30 years of leadership experience in enterprise technology, mobility and security. Robin leveraged her C-level success driving transformation for AT&T, Blackberry, and Samsung. She sits on many boards, both private and public, and is the founder of EMNOVATE, an advisory firm that delivers enterprise class services to help businesses embrace innovation. Robin is a global influencer with 15 patents and is routinely tapped to present at global enterprise conferences, including CIO Forum, Gartner and Forrester. She has received extensive exposure in Forbes, Fortune and The Wall Street Journal, and was

recently named one of the top 100 CIO's in Science, Technology, Engineering and Math (STEM). Currently residing in Atlanta, Robin holds a master's degree in management of technology from Georgia Institute of Technology and a bachelor's degree in engineering from Central Missouri State University. We are very blessed to have Robin as part of our team.

I would also like to introduce Ian Browde, our Senior VP of Business Development. Ian has over 25 years high-tech and cyber-security experience in business development, marketing and leadership. During 8 years at Apple, he launched the company's presence in China through the University of Western China, Chengdu; trained Apple's education salesforce; led the Apple Managers' Seminar and created the Apple-San Jose State University MBA, an academia/corporate first. During 9 years at Nokia, he led the Message Protector team, a secure messaging first; oversaw implementation of RSA cyber-security soft tokens on Nokia phones and built co-marketing/sales alliances.

He attained success at SCO managing the strategic alliance with Compaq Americas. He continued his success at Trend Micro as VP of Business Development managing strategic alliances with Cisco, Citrix, Microsoft and Oracle, and later as VP of Business & Corporate Development at Lynx Software Technologies.

Ian has a B.A. in Political Science from Wits University, South Africa and his J.D. from Santa Clara University Law School, California.

These two additions are timely and welcomed in the Company as we turn this corner into the next phase of growth, which will build revenue and increase shareholder value.

Company Highlights

Global Telecom Update/ Project FileForge

The dialogue with a global telecommunications giant is continuing to evolve and expand. With the progress of Project FileForge toward commercialization this global telecom has decided to test "FileForge" as its first Proof For Customer (P4C) application. "FileForge" is an app-to-app file protection and governance solution that has wide-ranging use in automated data workflows. We are now in the process of finalizing the terms and conditions of the P4C licensing agreement. A successful trial will point the way to a commercial relationship with this global telecom company.

Ricoh

Transformations, Inc. signed a re-sale agreement with Ricoh, a global leader in print and document security, to market globally and re-sell the TI document workflow application built on the Sertainty platform, specifically for the transaction processing market segment.

Healthcare Multi-Factor Single Sign-on Platform Provider

We were introduced to this company in late February and since then have had tremendous activity with their team. They provide innovative HIPAA-compliant, private cloud-based software that focuses on four essential elements needed to transform the performance of an organization: security, advanced communication, continuous learning and real-time measurement. Currently, we are in strategic discussions with their principals towards partnership and adoption. We are conducting Solution Designs sessions with them which will culminate in a Proof for Customer trial.

Big Data Storage as a Service Provider

The Company is negotiating with a leading-edge provider of storage solutions for the "HyperScale" data market. The primary purpose of their solutions enables cost effective data analytics for sophisticated users such as the DOD and the Intelligence Community (IC). These solutions, which are complex, and in many cases, involve cloud operations involving multiple platforms and domains, present formidable security challenges for which Sertainty has the potential to provide elegant answers. The yet to be finalized Teaming Agreement includes their role as champion of our technology in the DOD and IC space.

In other news...

Tech Talk - Chief Strategy Officer Amir Sternhell presented a TechTalk to the Nashville Technology Council (NTC) on March 22. Amongst NTC members were key influencers in the community — Jimmy Webb, Mark Cleveland, Dr. Dean Raines, Brian Rawlings. Overall, we filled the room with over 80 people. We continue to receive positive feedback, in addition to follow up meetings and presentation requests.

Website Launch - The launch of our new website is on schedule to go live early May. Phase 1 includes the following featured pages: Our Expertise, Sertainty Offerings and a Technology Overview. Phase 2 includes a Partners page and a Resources page that will house white papers, use cases, case studies, etc. We also intend to have a shareholder portal to make available the latest news and updates.
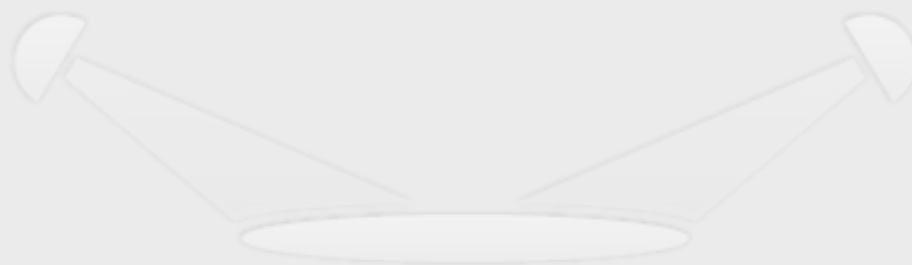
Millennium Alliance

Transformational CISO Assembly 2018

Sertainty is thrilled to sponsor the bi-annual <u>Millennium Alliance Transformational CISO Assembly</u>, taking place this year on May 9-10 at the Hutton Hotel in Nashville.

We've had much success at the Millennium events. Late last year we attended the Digital Transformational CISO Assembly in Salt Lake City, where we led a roundtable discussion and met our now Advising CTO Robin Bienfait. During our stay in Salt Lake City, Sertainty was asked to be the main sponsor for their main event in May.

This premier gathering is closed to the public and is by invitation-only. It will address the most important IT security priorities of 2018 and identify new opportunities to lead an IT Security Transformation. For us to be the main sponsor is a great honor, and it will provide the necessary stage to showcase the Sertainty technology. Our sponsorship includes 10, one-on-one meetings with leading companies like Honeywell, Deutsche Bank, ADP, etc. Additionally, Amir Sternhell is participating in the keynote panel, moderated by our friend and advisor, Dr. Edward Amoroso.

Robin's Final Thoughts...

When I reflect on the weeks I've spent with the team, I think back to the discussion I had with Greg and Amir at breakfast late last year. Greg, shared "you have to talk with us," and Amir said, "You will be amazed at what we can do."

The power of persuasion comes from conviction and belief, but also knowing. As I have worked in this space for over 32 years, and having engaged with the team and learned their capabilities, I too now have conviction and belief from the perspective of "wanting" this ability for many years in my corporate roles. I have seen more than most how devastating it is to lose data or not have the accountability of who has access. We need to move forward with delivering this capability to those that can now leverage the ability to empower data. This is only just the beginning of many great next steps.