

CRYPTIQUE LTD

(Registration number 2018/205592/06)

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CIRCULAR

To whom it may concern

Sir/madam

Cryptique has recently had a spate of enquiries about the buying and/or selling of Cryptique shares.

I herewith provide some general guidelines.

A. SELLING BEFORE LISTING

1. Since Cryptique is a public limited company, its shares are presently freely tradeable.

There are also, before listing, no embargo or escrow rules applicable.

Neither Cryptique nor ZAR X is, however, a party to any proposed sale transaction. The seller must find his/her own buyer at a price agreed between them. It is a matter of willing and able seller and willing and able purchaser.

To implement such agreement, transfer of the shares sold has to be arranged with the transfer secretary of Cryptique by an entry in the share register.

For the company to effect this it requires:

- 1.1 The original share certificate;
- 1.2 A securities transfer form (preferably a CM 42 document (or copy) as is standard practice). This has to be signed by the seller.
- 1.3 Confirmation of the price paid (required for tax purposes).

Cryptique will:

- 1.4 Cancel the transferred shares in the register.
- 1.5 Issue a new certificate to the buyer.
- 1.6 Issue an alternative certificate in the seller for any unsold balance.

All shares are held directly by the beneficiaries as certificated shareholders. Cryptique itself operates the register.

B. SELLING AFTER LISTING

The very essence of the listing on ZAR X is to obtain access to an extensive marketing platform.

Listed shares are only held and traded electronically.

Cryptique plays no direct role.

Trading is done via the above market by licensed brokers on behalf of clients (sellers and buyers). They negotiate trades.

The share register is only managed electronically (by the designated transfer secretary Computershare Investor Services).

All shares are held by CSPD's (or central security depository participants).

Every electronic shareholder must appoint a CSPD (any bank or stock broker).

All share certificates lapse and are replaced by electronic entries.

The market dictates the transaction price.

C. ESCROW

The rules stated below are the most recent and differ slightly from those previously provided.

Subsequent to listing all shares received otherwise than for cash are subject to the embargo rules of ZAR X.

The following are the main elements:

1. Only 20% of such shares in escrow may be sold during the first period following listing (to preclude "dumping"). This period extends from listing until one year after the first financial year each following listing.
2. Of the balance 50% may be sold during the year following such period.
3. The final tranche (of 40% or 50% of 80%) may be sold after a further year after the ending of the previous period.

D. INTERIM PERIOD

Cryptique is moving fast towards a listing later in 2021.

It is presently at an advanced stage in the preparatory work for the final audit preceding such listing.

This stage should be completed by month end with the formal audit in early September.

As soon as the financial statements have been signed by the auditors, the final prospectus will be lodged with CIPC. Once approved the final timeline towards listing (as prescribed by ZAR X) can begin.

The process has consequences for the share register.

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As soon as the final audit starts, the share register will be locked and no further entries can take place.

With the prospectus following immediately thereafter, there will probably be no window period for trading and these will have to be deferred until after listing.

All intended transfers and additional issues will therefore have to be completed within the next fortnight.

Further advice follows.

Regards

Wilhelm Smith