

## Arqit partners with AUCloud to deploy Australia's first sovereign quantum encryption service

- ***Arqit to help deliver critical cybersecurity capabilities in collaboration with AUCloud, Australia's leading sovereign cloud Infrastructure-as-a-Service (IaaS) provider.***

**London, UK – 18 January 2022** – Arqit Quantum Inc (“Arqit”), a global leader in quantum encryption technology, welcomes Sovereign Cloud Australia Pty Ltd (“AUCloud”) as the latest local service provider to join the Federated Quantum System for deployment in Australia in partnership with the Australian Government.

AUCloud is a highly respected Infrastructure-as-a-Service (IaaS) provider selling high security sovereign cloud services to the Australian Government, Defence, Intelligence, and Critical National Industry (CNI) communities. NextDC, Australia's largest data centre operator is a key strategic investor in AUCloud.

Arqit's Federated Quantum System allows allied governments to have sovereign control of a private instance of Arqit's technology, interoperable with the system of other participating allies. The main end user is government, but a local service provider is always required and Arqit is delighted that AUCloud will play this role and undertake support for Arqit in Australia.

The emerging nexus around AUKUS – the Australian, UK and US alliance for joint defence investment and innovation – is creating an impetus around cyber security, quantum, and Artificial Intelligence (AI). This has catalysed the joint development of an Australia-wide network of Sovereign Quantum Edge Cloud Services.

By addressing urgent threats to existing cybersecurity infrastructure and creating the foundations for critical future capabilities, Arqit's partnership with AUCloud will deliver an immediate capability to Australian customers in the Defence, Government, Critical National Infrastructure (CNI) and Enterprise sectors, including Financial Services.

The relationship will also provide further opportunities for Australian industrial participation in space, cyber and quantum technologies.

This agreement reinforces activities around the UK-Australia Space Bridge agreement (signed between UK and Australia in 2021) where Arqit has been awarded a contract to prepare for Australian participation in Arqit's Federated Quantum System (FQS) programme alongside UK and Canada. The work includes defining technical contributions to the mission, industrial supply chain and preparation for deployment of Arqit's QuantumCloud™ technology, which delivers full independence to the customer as well as interoperability with the systems of other allied partners.

**Phil Dawson, Managing Director and Co-Founder of AUCloud, said:** “We are excited to build upon AUCloud’s sovereign cloud focus and collaborate with Arqit to launch this pioneering sovereign quantum edge cloud service, as Australia continues to reinforce its technical contributions to the space, cyber and quantum technology mission.”

**Arqit Founder, Chairman and CEO, David Williams, added:** “We are delighted to support the Australian, UK and US alliance for joint defence investment and innovation. The world needs stronger, simpler encryption, and it is important that allied countries work together to share the benefit of Arqit’s globally unique, transformational quantum safe encryption. We look forward to deepening our partnership with Australian industry in this effort.”

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## About Arqit

Arqit supplies a unique quantum encryption Platform-as-a-Service which makes the communications links of any networked device secure against current and future forms of attack – even from a quantum computer. Arqit’s product, QuantumCloud™, enables any device to download a lightweight software agent, which can create encryption keys in partnership with any other device. The keys are computationally secure, optionally one-time use and zero trust. QuantumCloud™ can create limitless volumes of keys in limitless group sizes and can regulate the secure entrance and exit of a device in a group. The addressable market for QuantumCloud™ is every connected device.

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## About AUCloud

AUCloud is Australia's sovereign cloud Infrastructure-as-a-Service (IaaS) provider, exclusively focused on the Australian Government, Defence, Intelligence and Critical National Industry (CNI) communities. The cloud service enables customers to benefit from sovereign data protection with the scale, automation, elasticity, and lower costs associated with hyperscale public cloud offerings. It is independently certified to the PROTECTED level controls of the Australian Cyber Security Centre's (ACSC) Information Security Manual (ISM), and Certified Strategic in accordance with the DTA's Hosting Certification Framework. AUCloud is also a member of the Defence Industry Security Program.

### Caution About Forward-Looking Statements

This communication includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. These forward-looking statements are based on Arqit's expectations and beliefs concerning future events and involve risks and uncertainties that may cause actual results to differ materially from current expectations. These factors are difficult to predict accurately and may be beyond Arqit's control. Forward-looking statements in this communication or elsewhere speak only as of the date made. New uncertainties and risks arise from time to time, and it is impossible for Arqit to predict these events or how they may affect it. Except as required by law, Arqit does not have any duty to, and does not intend to, update or revise the forward-looking statements in this communication or elsewhere after the date this communication is issued. In light of these risks and uncertainties, investors should keep in mind that results, events or developments discussed in any forward-looking statement made in this communication may not occur. Uncertainties and risk factors that could affect Arqit's future performance and cause results to differ from the forward-looking statements in this release include, but are not limited to: (i) risks that the business combination disrupts Arqit's current plans and operations, (ii) the outcome of any legal proceedings that may be instituted against the Arqit related to the business combination, (iii) the ability to maintain the listing of Arqit's securities on a national securities exchange, (iv) changes in the competitive and regulated industries in which Arqit operates, variations in operating performance across competitors, changes in laws and regulations affecting Arqit's business and changes in the combined capital structure, (v) the ability to implement business plans, forecasts, and other expectations after the completion of the business combination, and identify and realize additional opportunities, (vi) the potential inability of Arqit to convert its pipeline or orders in backlog into revenue, (vii) the potential inability of Arqit to successfully deliver its operational technology which is still in development, (viii) the risk of interruption or failure of Arqit's information technology and communications system, (ix) the enforceability of Arqit's intellectual property, and (x) other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in Arqit's annual report on Form 20-F, filed with the U.S. Securities and Exchange Commission (the "SEC") on December 16, 2021 and in subsequent filings with the SEC. While the list of factors discussed above and the list of factors presented in the final prospectus are considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements.