
spirit
Internet's future
the power of more
INVESTOR UPDATE
Geoff Neate – Managing Director
July 2016

Disclaimer

Important Information

The information in this presentation is an overview and does not contain all information necessary for investment decisions. In making investment decisions in connection with any acquisition of securities, investors should rely on their own examination and consult their own legal, business and/or financial advisers.

This presentation is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any securities in the Company. This presentation has been made available for information purposes only and does not constitute a prospectus, short form prospectus, profile statement or offer information statement. This presentation is not subject to the disclosure requirements affecting disclosure documents under Chapter 6D of the Corporations Act 2001 (Cth). The information in this presentation may not be complete and may be changed, modified or amended at any time by the Company, and is not intended to, and does not, constitute representations and warranties of the Company.

The Company does not have a significant operating history on which to base an evaluation of its business and prospects. Therefore, the information contained in this presentation is inherently speculative.

The information contained in this presentation is strictly confidential and you must not disclose it to any other person. While the information contained in this presentation has been prepared in good faith, neither the Company or any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. Accordingly, to the maximum extent permitted by law, none of the Company, its directors, employees or agents, advisers, nor any other person accepts any liability whether direct or indirect, express or limited, contractual, tortuous, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any of the opinions contained in this presentation or for any errors, omissions or misstatements or for any loss, howsoever arising, from the use of this presentation.

This presentation may contain statements that may be deemed “forward looking statements”. Forward risks, uncertainties and other factors, many of which are outside the control of the Company can cause actual results to differ materially from such statements. Such risks and uncertainties include, but are not limited to, commercialisation, technology, third party service provider reliance, competition and development timeframes; limited operating history and acquisition and retention of customers; reliance on key personnel; maintenance of key business partner relationships; brand establishment and maintenance; the Company’s products may contain programming errors, which could harm its brand and operating results; competition; changes in technology; data loss, theft or corruption; security breaches; liquidity and realisation; and additional requirements for capital.

The Company makes no undertaking to update or revise such statements, but has made every endeavour to ensure that they are fair and reasonable at the time of making the presentation.

Investors are cautioned that any forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in any forward-looking statements made.

2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

4 stories of Spirit



- Where we have come from
- Where we are now



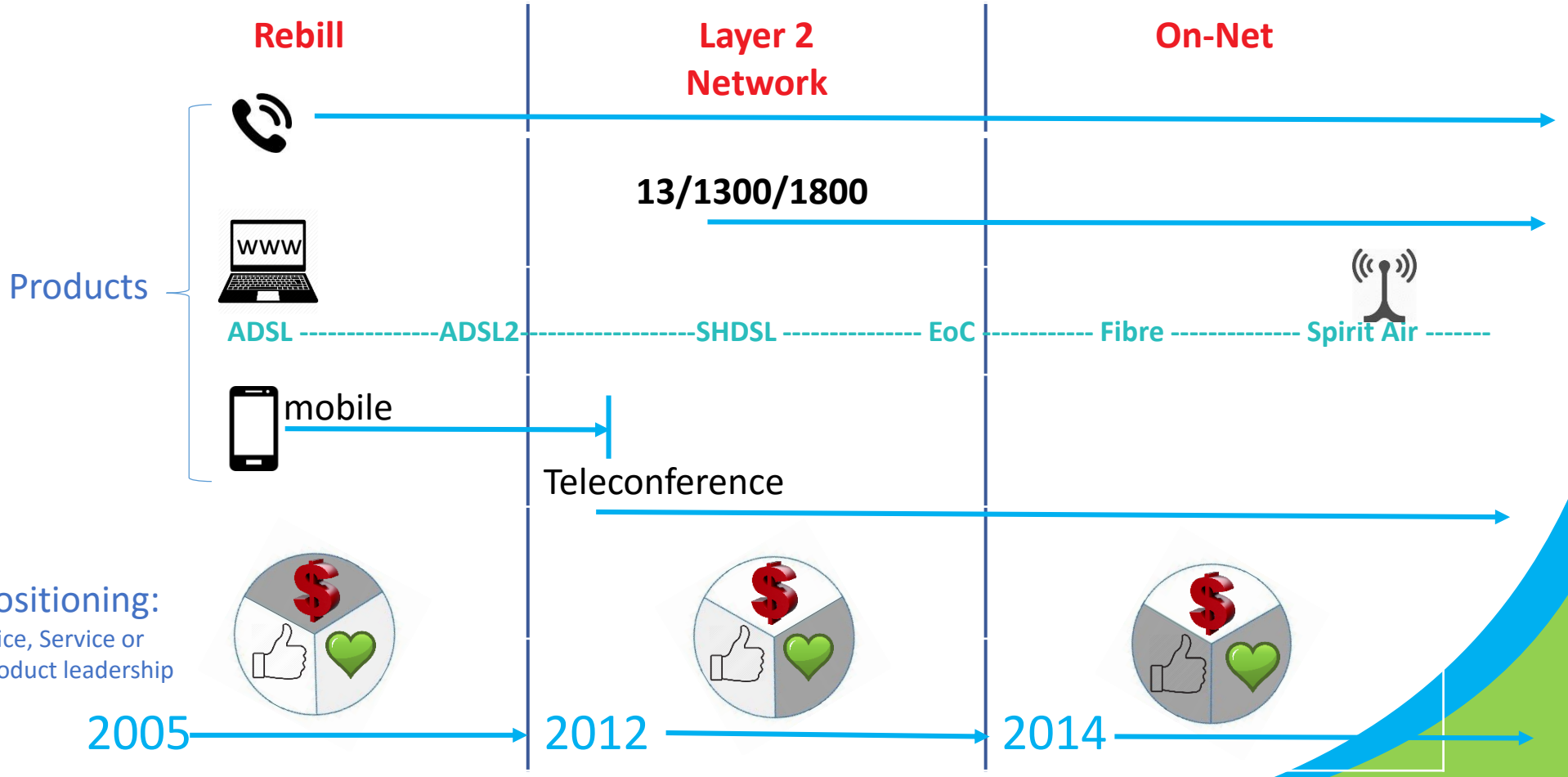
- Where we are headed
- How we will get there



2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

Where we have come from

- Operational 2005
- $4.6m (debt & equity) over 11 years
  - Including 2 acquisitions



2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

Where we are now

Company Summary

Share Price (22 July)	2.3cps
Ordinary Shares on issue	836 Mill
Options (3.9cents)	233 Mill
Market Capitalisation	$19.2Mill
Cash	$2.2 Mill
Debt	$2 Mill

Shareholding

Board	21.49%
Management	20.24



2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

An Experienced Board



GEOFF NEATE
Managing Director (founding)

B.Bus (Monash), MMkt (Melb)
Over 20 years Telco sector – Primus, Telstra
Experienced in Start ups



JAMES JOUGHIN
Chairman

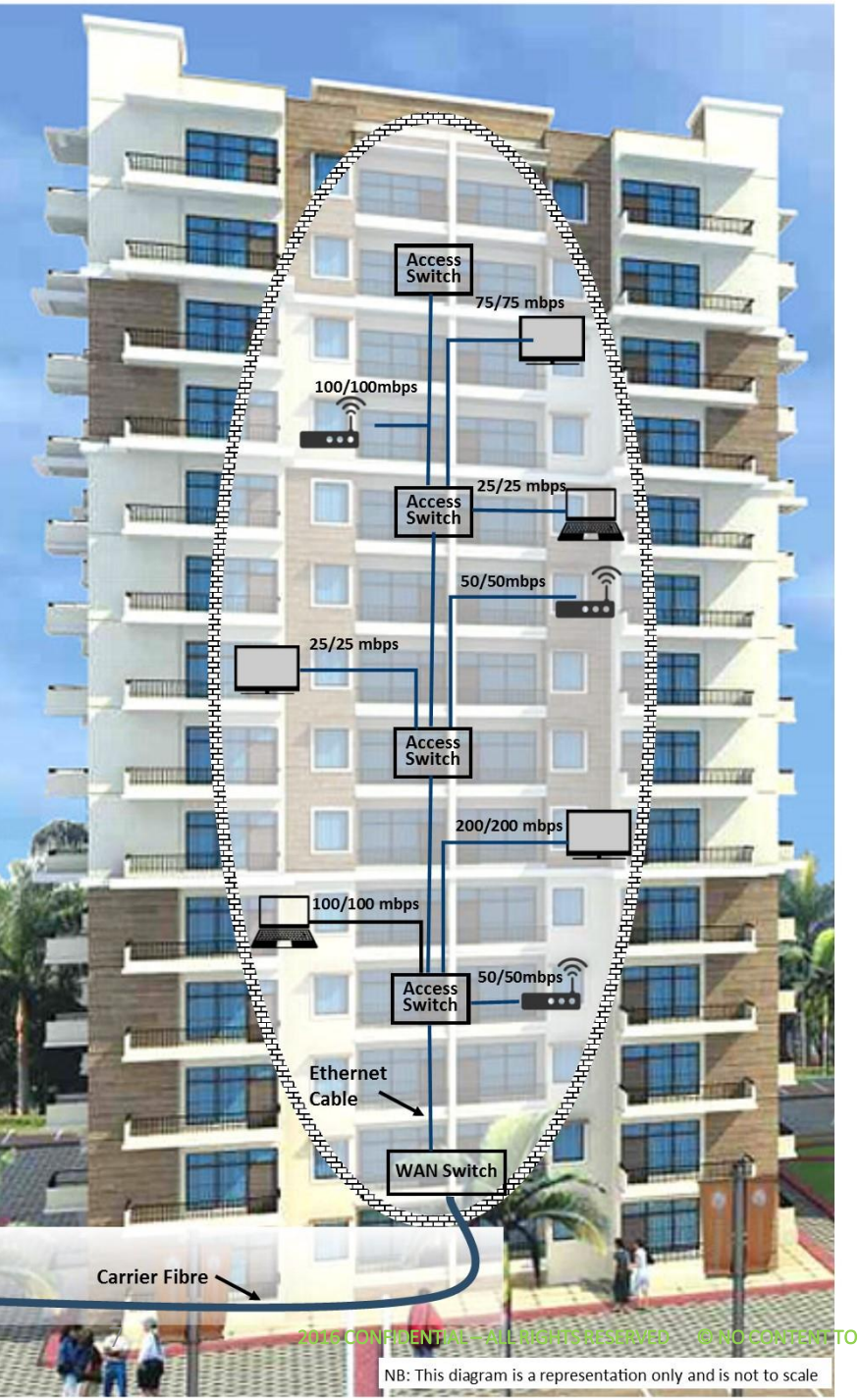
Bachelor of Business
Member, CPA
Member, GAIDC
Previously a Senior Partner of Ernst & Young.
A Partner for 17 years and with the Firm for over 26 years and has over 28 years general corporate finance experience.



TERRY GRAY
Director

B.Bus, Grad Dip App Fin
Currently a Corporate Consultant offering investment management and corporate advisory services.
Over 20 years financial markets experience including funds management and corporate finance

2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED



NB: This diagram is a representation only and is not to scale

Building Summary

- Added 200 Buildings since 2014
  - High Gross Margin
  - High Operating Leverage
  - Low Capex
- Breakdown
  - Commercial 61%
  - Residential 34%
  - Student 5%
- Switched Ethernet vs VDSL

2015 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

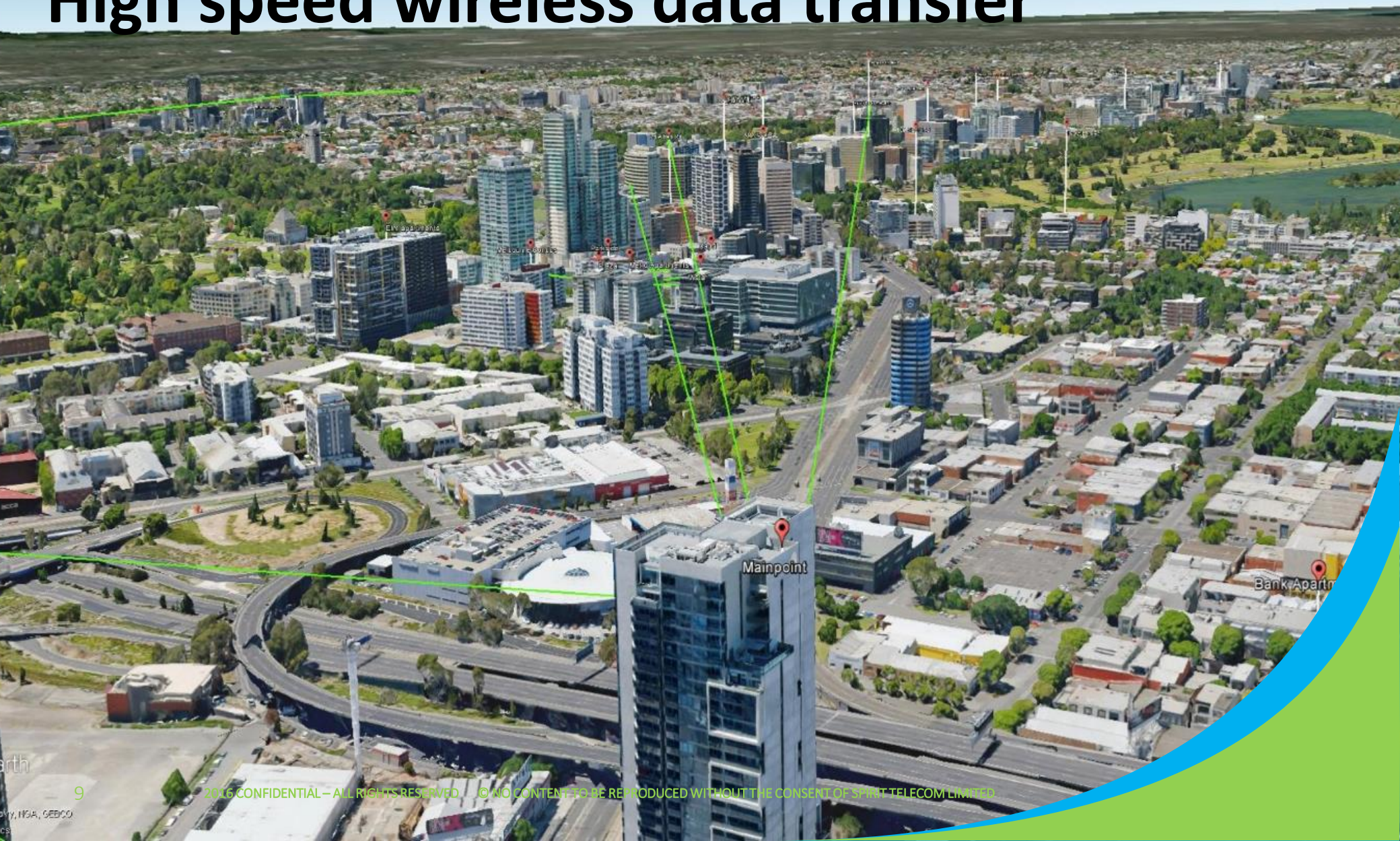
Spirit Air

- Commenced May 2015
- Over 100 Radio’s deployed in 12 months
- FTTR
- Licensed Carrier



2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

Spirit Air:
High speed wireless data transfer



2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

Spirit Air:
a sample of our network



2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

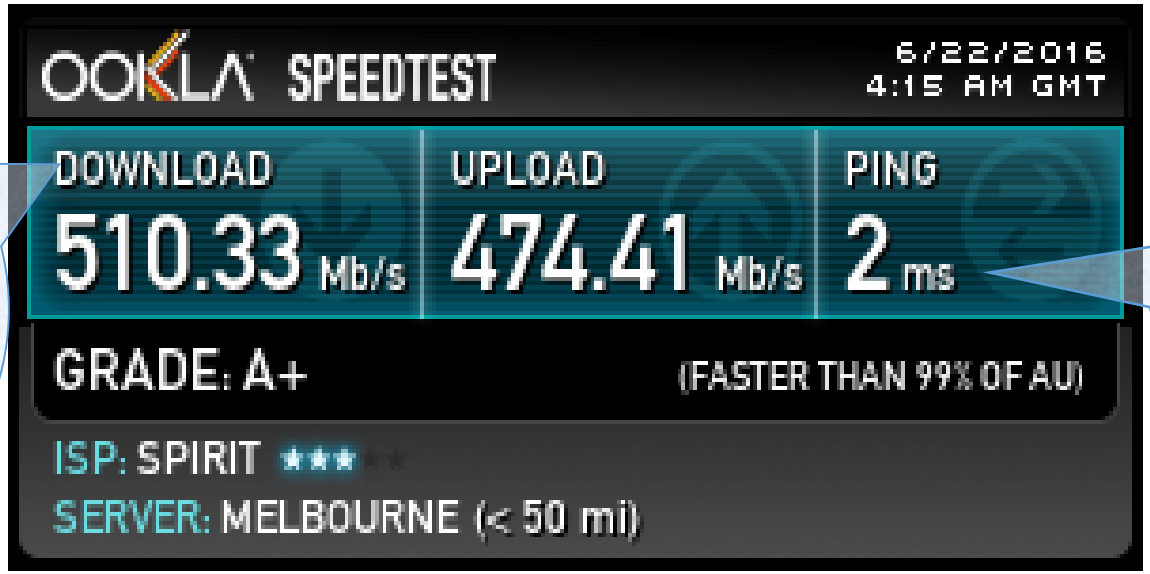
What makes fast Internet?

There are two critical components that determine Internet Speed

1. Latency: the time to transmit data between points A and B
2. Bandwidth: The transmission capacity of a given connection

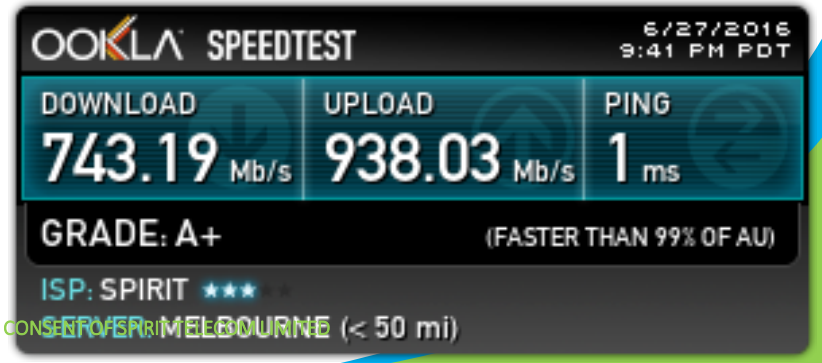
So using a freeway analogy…

Bandwidth: how many cars can travel on a freeway



Latency/"Ping" speed: how fast a car travels on a freeway

Speed test taken at 9 Yarra Street, South Yarra (Vic) on 22nd June 2016 at 4.15pm on the Spirit network



2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

Our Target Market



7.4% of Australia's Internet connections have download speeds greater then 15Mbps[1]

1. Akaimai Q3 2015 Rankings 'State of the Internet'

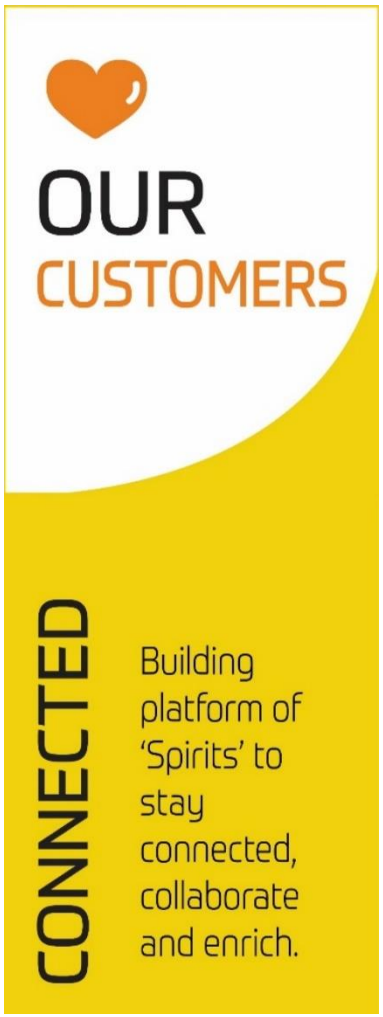
2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

Where we are headed

Powering the New Generation of Internet for those who need more









2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

Where we are headed

- Maximise the ‘Land grab’ with superior product deployment
- Top quartile for customer service (NPS)
- Diversify our product offering
- Defining the Modern Telco’
  - Not just Fast Internet
  - Fast Provisioning
  - Fast Support
  - Fast Growth

2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

How will we get there?

- Sales & Marketing
  - First real spend
    - Marketing to Provincial Opportunities
    - Dealer channel development
      - Every roof is an opportunity
  - Brand Building
    - Requested into Buildings
      - NBN ‘retro fit’ is not cutting it
  - Leveraging off the ‘Greed for Speed’
  - Knowing our market… and where it is not

2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

What happens from here?

- 2016 Financials
  - Strong Revenue growth expected
  - Strong Gross Margin Growth expected
  - Several one offs RTO complexities
    - Listing fees
    - Advisory fees
    - Public to Private company adjustments

2016 CONFIDENTIAL – ALL RIGHTS RESERVED © NO CONTENT TO BE REPRODUCED WITHOUT THE CONSENT OF SPIRIT TELECOM LIMITED

spirit

Internet's future



the power of more