



SPECTUR LIMITED

Investor Deck

May 2018 | ASX: SP3



Disclaimer

Important information

Purpose of presentation: This presentation has been prepared by Spectur Limited (ACN 140 151 579) (**Spectur**).

It is intended for experienced, sophisticated or professional investors (as those terms are defined in the Corporations Act 2001 (Cth)), and their professional investment advisors, for the sole purpose of providing high-level background information on Spectur and its operations. This presentation **is not** investment advice and **should not** be relied upon to make any investment decision.

Nature of presentation: This presentation is **not** a prospectus, product disclosure statement or other investment disclosure document, and the level of disclosure in this presentation is less than such disclosure documents. This presentation does not purport to contain all of the information that a prospective investor may require to make an evaluation of Spectur or its business activities and nothing in this presentation is, or is intended to be, a recommendation to invest in Spectur. Spectur does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this presentation.

Forward-looking statements: This presentation contains forward-looking statements which may be predictive in nature and incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this presentation, expected to take place, but there cannot be any guarantee that such will occur as anticipated, or at all, given that many of the events are outside Spectur's control. The stated events may differ materially from results ultimately achieved. Accordingly, neither Spectur nor any of its directors, employees, contractors or advisors make any warranty or assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this presentation will actually occur. Further, other than as required by law, Spectur may not update or revise any forward-looking statement if events subsequently occur or information subsequently becomes available that affects the original forward-looking statement.

Disclaimer: Neither Spectur nor its officers, employees, contractors or advisers give any warranty or make any representation (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in this presentation. Nothing contained in this presentation is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. Except for statutory liability which cannot be excluded, Spectur, its officers, employees, contractors and advisers expressly disclaim any responsibility for the accuracy or completeness of the material contained in this presentation and exclude all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom.

No offer: This presentation does not make nor contain any offer of securities or any other offer to invest in Spectur to any person.

Professional advice: Recipients of this presentation should consider seeking appropriate professional financial, taxation and legal advice in reviewing the presentation and all other information with respect to Spectur and evaluating its business, financial performance and operations.

Proprietary information and copyright: This presentation and the information it contains is proprietary to Spectur. Spectur holds the copyright in this paper. Except as permitted under the *Copyright Act 1968* (Cth), this paper or any part thereof may not be reproduced without its written permission.

Corporate Overview

Spectur is an **Australian-based industrial technology company** with a range of innovative hardware and cloud-based IoT and security systems servicing the commercial building, critical infrastructure, transport, resources, defense and government sectors.

Spectur's core product is the market leading HD4 security camera system and associated cloud based platform. A **solar-powered** battery backup security system which is remotely accessed and connected via 3G/4G technology, which is connected to the Specturs own cloud based platform.

The Company has a dedicated R&D centre in Melbourne with a **pipeline of new products and service extensions** which it plans to develop and bring to market, including the upcoming launch of the new Thermal Camera system.

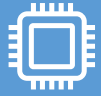
ASX:SP3



Key Metrics	
ASX Code	SP3
Market Cap @ 35 Cents	\$17.15m
Cash (as at 31 March 2018)	\$4.35m
Share price range (since Aug 17)	\$0.25 - \$0.47.5
Ordinary shares on Issue	49,000,000

Options SP3o Unlisted	16,349,958 (20c) 2020 2,150,000 (\$0.37-\$0.50) 2020
Performance Shares (revenue milestones, three tranches)	21,500,000

Investment Highlights



Commercialised proprietary security surveillance technology that is disrupting the traditional security market valued at approximately \$71.17 billion (USD) in 2016*



Recurring revenues accounting for 35% of overall revenue and are growing, which comprise ongoing rental and cloud, data and monitoring revenues as at the March 18 quarter



Strong revenue growth of circa 70% YOY, with FY18 revenue YTD (March) of \$1.7 million (2017 FY Revenue \$1.3m)



Thermal cameras planned for July 18 commercial launch, value of \$12,000+ compared to HD4 of \$3,000+



Servicing Tier 1 clients

- construction
- transport
- mining
- critical infrastructure
- military
- government



Expansion to the east coast
Operational in VIC, NSW, QLD,

Expansion to the US
Under planning, targeting 2nd half 2018 FY



Products manufactured in Perth from propriety, patent protected designs, and used for ongoing new product developments



Expansion industries include

- High Value Crops
- Oil & Gas

* Source: Transparency Market Report

Disrupting the Traditional Security and Surveillance Market

The Problem

The Spectur Solution



Ineffective and costly traditional forms of site, critical infrastructure and high value asset security.



Spectur's **proprietary systems** provide live intelligent monitoring and live intruder response systems on site, while live images are uploaded to the cloud, a web based client interface provides a total security system.



Growing need from construction, transport, critical infrastructure and other industries to cut operating costs.



Rapid and simple deployment which addresses reseller and global market penetration strategies.



Major cost to many global industries from site and infrastructure protection from theft and damage.



Autonomous asset monitoring systems provide live autonomous monitoring of critical infrastructure and high value assets through the use of additional plug ins including a range of sensors via the inputs and outputs.



Cost of installation of powered surveillance systems is expensive, including laying of cables, connection to mains power etc.



Cost savings: Spectur's security camera systems are able to be installed and monitored for a lower cost than traditional security solutions and provide a mobile, flexible solution.

Innovative Product Offering

Spectur currently provides the following core products and services

Hardware: Spectur HD4 & Thermal security camera systems

- The HD4 camera system consists of a low-light image sensor, 50w LED lighting, 100 decibel speaker, 65w solar panel, 50Ah battery
- Thermal camera system set for commercial launch in July 2018
- Solar powered and has substantial backup battery capacity in the event of prolonged insufficient sunlight.
- The system is designed to be continuously linked to the internet so that Spectur and the client can access, control and manage the system through its back-end cloud-based IoT Management platform

Back-end Software: IoT Management Platform

- Built in-house and provides Spectur with the ability to control and manage a variety of IoT devices.
- All Spectur HD4 security camera systems in operation are currently controlled and managed by this platform

Front-end Software: Client Surveillance Interface

- A dedicated user-friendly interface, which allows users to view videos and images both in real time, and at historical points in time.
- Users are also able to control a number of functions of the system through the interface (e.g. turning on lights or sounding an alarm)

Targeting the Large and Growing Global Security Market

The global security market is large and growing rapidly and will also provide a platform for Spectur to supply a range of additional solutions to its clients

US\$71.17 billion

In 2016 the global physical security market – (estimated value).

US\$1.28 billion and growing at circa 28%*

The Video Surveillance-as-a-Service market by services

US\$21.5 billion and growing at circa 15%*

The Video Surveillance-as-a-Service market ("VSaaS") by hardware

Video surveillance and VSaaS **could replace a large portion** of the physical security market

- 28 million HD CCTV cameras are forecast to be shipped globally (2016)

US\$7.71 billion and growing at circa 5.9%**

The Global Thermal Imaging Market Size



* Source: *Transparency Market Report;(See Company Prospectus 28/07/2017) **Markets and Markets (see ASX Release 28 March 2018)

Target Industries

Construction and Civil

Theft from building sites in Australia is an ongoing problem across the residential and commercial construction industry.

Critical Infrastructure

The increasing threat of terrorism has given rise to a new requirement for sustained mitigation efforts to protect critical infrastructure from external threats. Critical infrastructure includes energy and telecommunications supply assets, gas, electricity, water supplies, airports and railways.

Transport and Logistics

Specturs thermal cameras sales targeting large transport and logistics yards and perimeters.

Military

Initial deployment to protect base perimeters in Australia, seeking the potential for in field deployment to secure operational perimeters in the future.

Oil & Gas

Gas leakage is a hazard for the Oil & Gas industry. With much of its infrastructure in remote locations, Specturs systems can provide gas detection sensors to their security systems to address gas leakages.

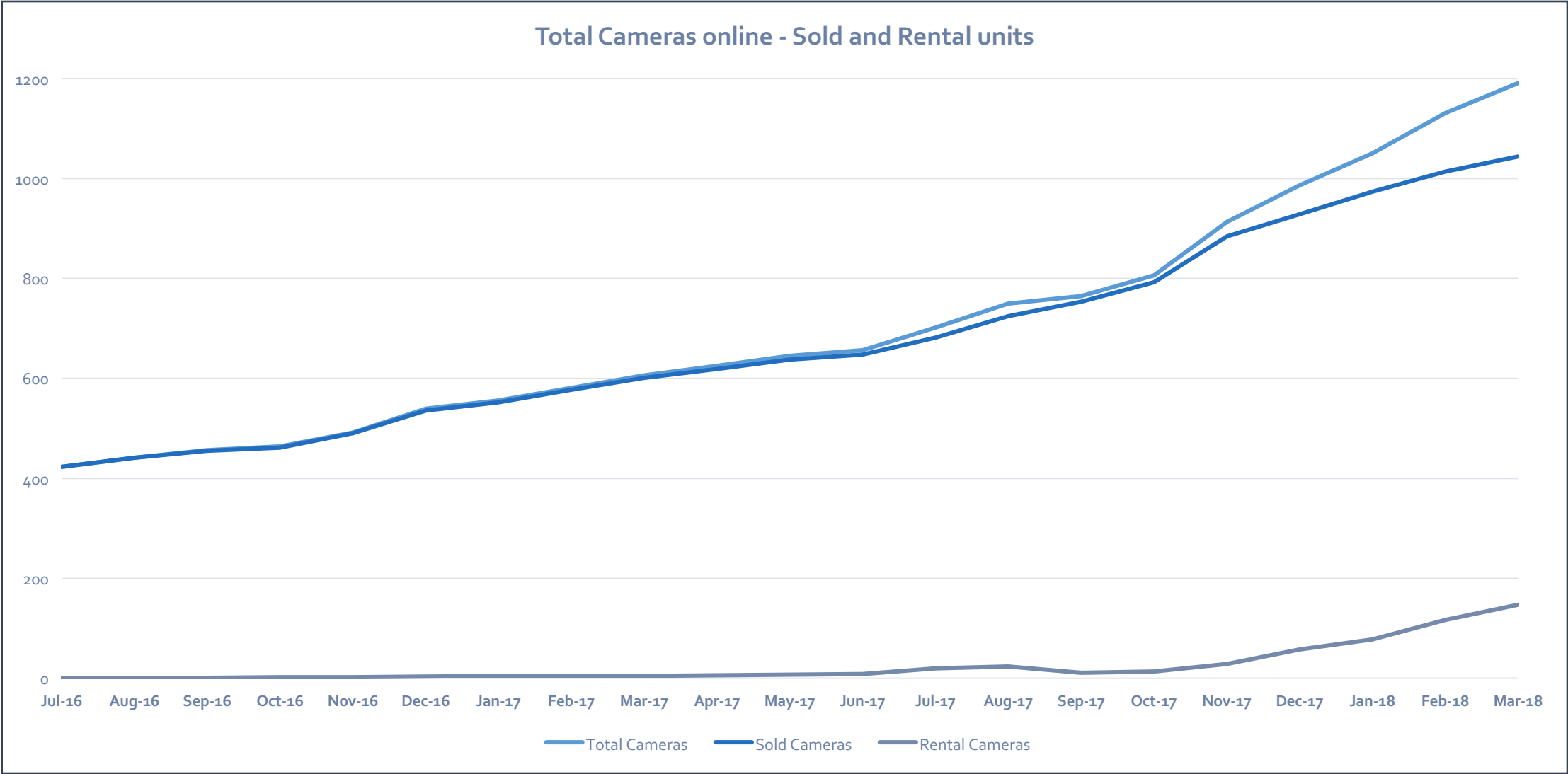
Mining and Resources

The mining and resources industry has extensive assets including mining project sites, plant and equipment and staff quarters which can be monitored remotely using Specturs remote technology.

Sales and Revenue Model

Product/service	Description	Revenue form
Upfront Revenues – Camera system sales		
Sale of security surveillance products to end customers	Spectur supplies clients with its security surveillance products with both full-installation services as well as on a self-installation basis	Up-front revenue from direct sales
Resale arrangements white label	Spectur supplies its security surveillance products and systems to Original Equipment Manufacturers (OEM) and resellers both in own branding and on a 'white label' basis which can be rebranded by the resellers. The resellers can market and supply the white label products and the associated systems under their own branding	Up-front revenue from sales of security surveillance products to OEMs and resellers as well recurring vSaaS
Ongoing Revenues – Camera system rentals		
Rental of security surveillance products	Spectur provides clients with the option to rent its security surveillance products on short-term or long term basis (typically a 3 to 24 month period)	Ongoing rental fees from rental deployment of security surveillance products to clients, charged as an all in fee
Recurring Revenues – Monthly fees to manage, connect and monitor cameras		
VSaaS licence of Client Surveillance Interface	Spectur provides its clients and resellers with access to its Client Surveillance Interface which is connected to the IoT Management Platform on a licence basis. This is provided separately to the sale or rental of its products	Ongoing recurring revenue from monthly licence fees to access and use the Client Surveillance Interface and receive software and security camera support through the IoT management Platform. Invoiced on a quarterly basis in advance.
Data plans	Spectur arranges for the rental of data plans for mobile telephone network connectivity of clients security surveillance products through third-party telecommunication providers	Ongoing recurring revenue from monthly rental fees to provide the data plans. Invoiced on a quarterly basis in advance.
Third-party monitoring services	Spectur arranges for the monitoring of clients security footage by professional third-party security firms to provide a complete surveillance service	Monthly fees to arrange the third-party monitoring services. Invoiced on a quarterly basis

Total Systems in the Field: Targeting rapid growth



Product Mix: Targeting increased average sale price per unit

2017/18 FY Products: 1	2018/19 FY - Planned Products: 3+	2020/21 FY - Planned Products: 5+
1. HD4 Camera System Sale Price: \$3,000+ Rental Price: \$14 per day Recurring: Cloud, data and monitoring: \$30-\$100+ per month per unit	1. HD4 Camera System	1. HD4 Camera System 2. Thermal Camera System 3. Trailer Mounted Camera Systems (HD4 and Thermal)
	2. Thermal Camera System Sale Price: \$12,000+ Rental Price: \$50+ per day Recurring: Cloud, data and monitoring	4. Gas Detection System Sale Price estimation at \$15-\$20,000+ Recurring: Cloud, data and monitoring
	3. Trailer Mounted Camera Systems (HD4 and Thermal) Sale Price: \$10,000-\$20,000+ Rental Price: \$40-100+ per day Recurring: Cloud, data and monitoring	5. LIDAR Systems Incorporated into stand alone, solar powered traffic management systems
	4. HD4 add on includes radio communication to accelerometer unit for live bridge strike monitoring	6. Plus various add on technologies

Existing Product: HD4 Camera System

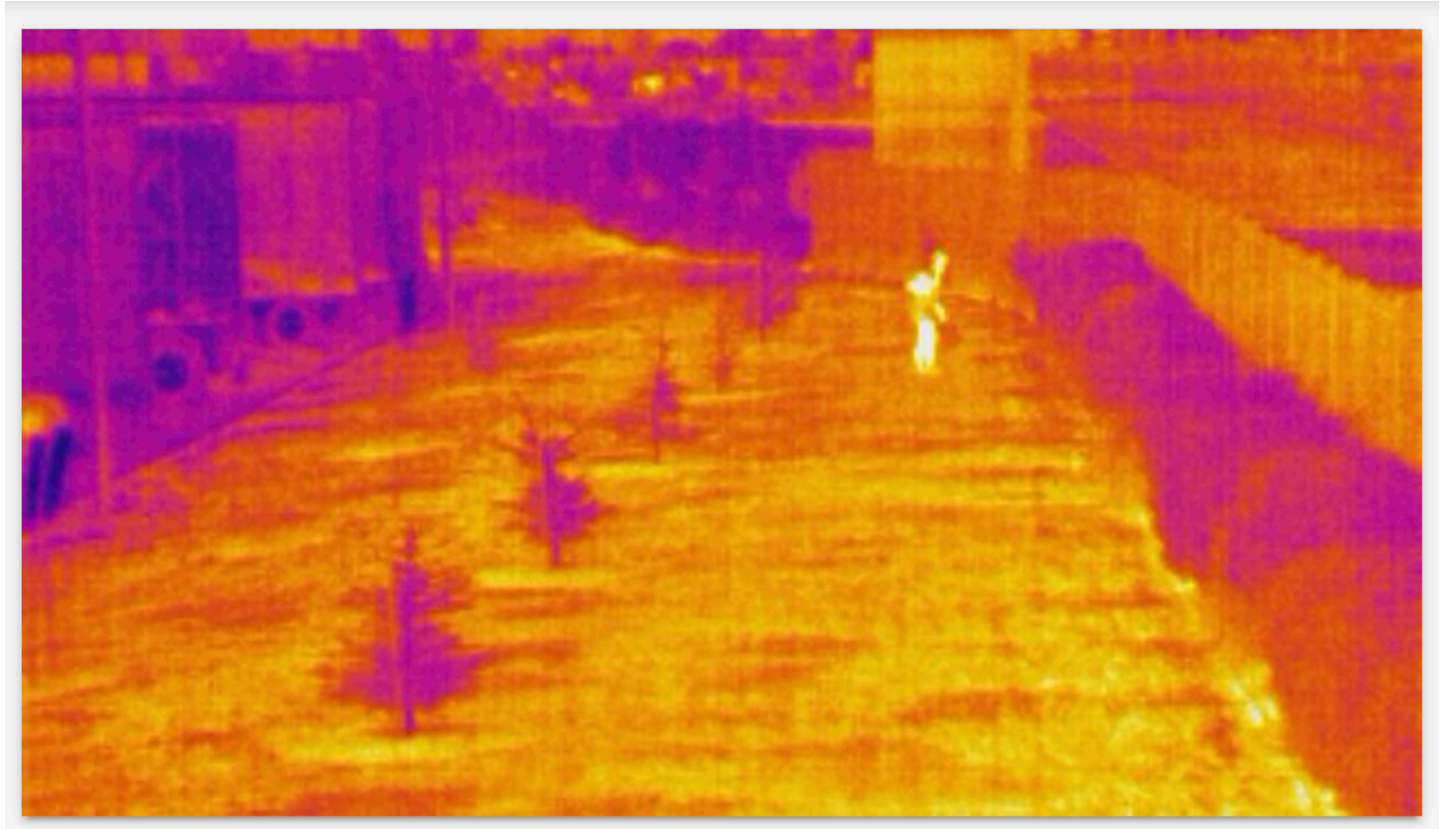
- HD4 Camera System
- Sale Price from \$3,200+
- Rental Price from \$14 per day
- Recurring revenue: Cloud, data and monitoring
- The HD4 Camera System is Spectur's core camera system and is typically deployed to secure construction sites, perimeter fencing and critical infrastructure.
- Range: 20-100 metres (depending on lenses)
- Functionality: a low-light image sensor, 50w LED lighting, 100 decibel speaker, 65W solar panel, 50Ah battery



New Products:

Thermal Camera System

- Thermal Camera Systems
- Sale Price: \$12,000+
- Rental Price: \$50+ per day
- Recurring revenue: Cloud, data and monitoring
- Used on large sites for securing long perimeters. Huge competitive advantage of not needing power or network cables laid.
- Rapid deployment. Temporary solution if necessary.
- Range: Up to 1km
- Functionality: a thermal sensor, low-light image sensor, 50w LED lighting, 100 decibel speaker, 65W solar panel, 50Ah battery



<https://youtu.be/51qKGDzGwnQ>

New Products: Trailer Camera System

- Trailer Mounted Camera Systems (HD4 and Thermal)
- Sale Price: \$10,000-\$20,000+
- Rental Price: \$40-100+ per day
- Recurring revenue: Cloud, data and monitoring.
- The Trailer models have just been completed and Spectur will commence deploying to client sites in the near future.
- Primary reason for use: Ability to deploy on very short term basis for events, council works, building and mine site deployment or as required.
- Functionality: HD4 or Thermal version.



Geographical Reach: Targeting Australian expansion then focus on US

2017/18 FY	2018/19 FY
Australia – expansion phase 1. Perth established 2. Melbourne established in Q1 3. Sydney fully operational Q4 4. Brisbane fully operational Q4	Australia – growth and ramp up stage 1. Perth, Melbourne, Sydney and Brisbane established. Entering expansion and market domination phase over the short to medium term.
	US – early establishment phase 1. Planning underway to expand into the US market, including market analysis and logistical planning
	International - in conceptual planning 1. Potential for international distribution or reseller agreements 2. Potential for international online sales, shipping and distribution.

Oil & Gas - Update

Spectur implements its strategy to enter the Oil & Gas industry with its patented technology by engaging Advisian Digital, a subsidiary of WorleyParsons

Insight Analysis: Advisian Digital to provide insight about the current market for fugitive gas emissions and gas detection technology within gas and coal operations. Advisian provides strategic advice, integrated with deep technical expertise to clients in the energy, resources and infrastructure sectors.

New technology for specific use : Spectur has developed technology which it believes will have applications for monitoring and detecting gas leakages at resource facilities.

Working within compliance parameters: The oil and gas industry has very strict compliance issues that Spectur will have to address prior to commercialisation. Advisian can help Spectur through this process.

Strategy implementation: Spectur is working through its strategy to investigate commercialisation into the Oil & Gas industry by working with industry leaders.

Focused industry analysis: Market analysis will provide Spectur with a targeted approach within this highly regulated industry.

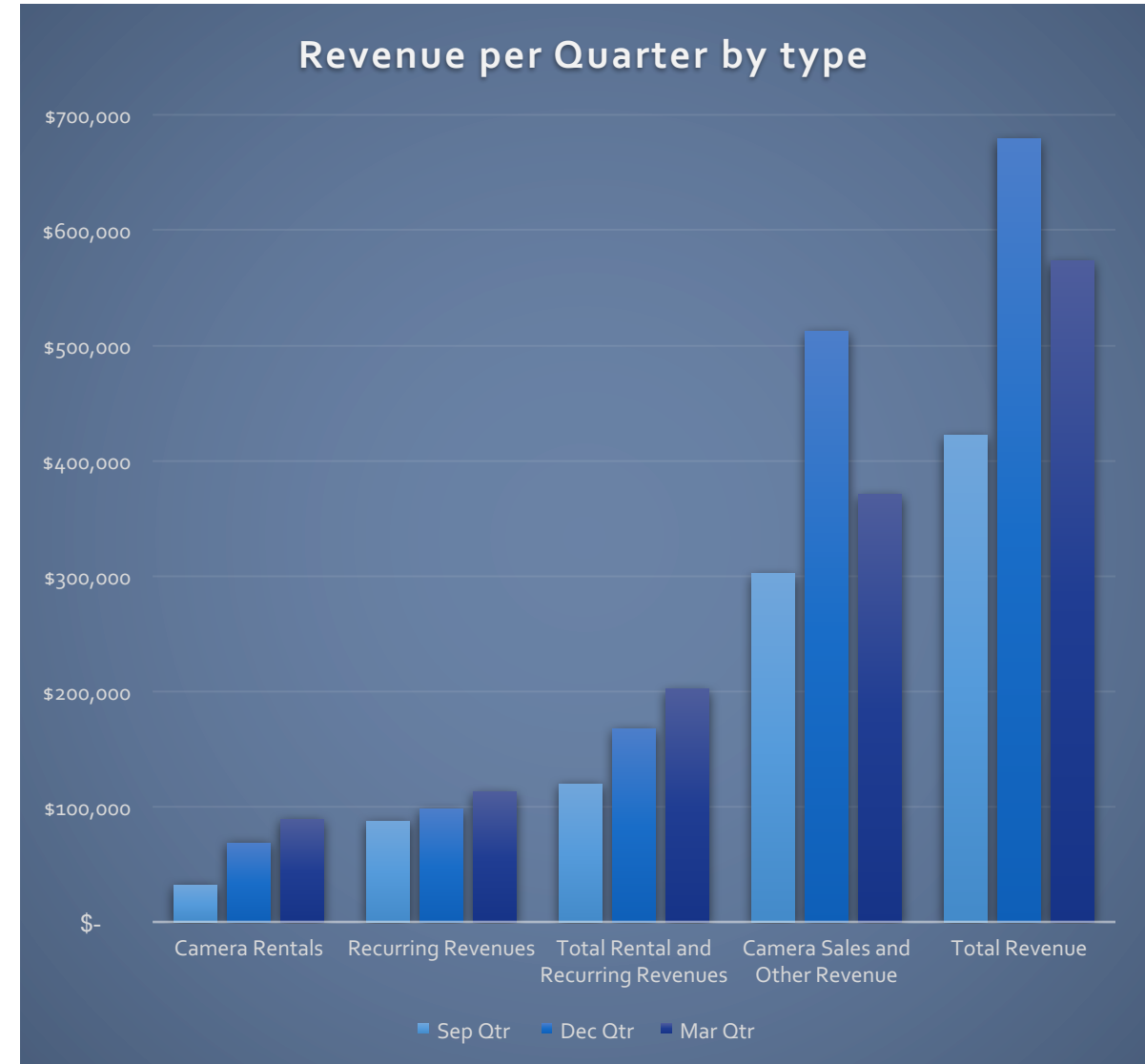
Financial Model: Increasing revenues from multiple sources

New Camera deployments – Spectur now has the capacity to manufacture and install 150 new camera system units per month, i.e. a total of 150 sales or new rental units per month (HD4 or Thermal from July 18)

Revenue from	Products	Revenue
Hardware Sales	1. HD4 2. Thermal Camera 3. Trailer model	Range from \$3,000 to \$12,000+ per unit. Trailers from \$12,000.
Recurring Revenues from sold cameras in operation	1. VSaaS license 2. Data charges 3. Monitoring charges	Average per camera monthly fee of circa \$35, currently 1,200+ sold systems in operation
Ongoing revenue from Rental units in operation	1. HD4 2. Thermal Camera 3. Trailer model	Circa \$14 per day, currently 160+ rented systems in operation
Other Revenue	1. Installations	Various

Rapidly Growing Ongoing Rental and Recurring Revenues

Recurring revenues are growing rapidly, representing a larger portion of total revenue



Growth Strategy

Spectur aims to become the dominant player in the solar security space and utilise its research and development expertise to bring new products to the market



Dominate the Australian market: expansion across Australia to drive revenues through increased camera installations including growing rental market.

Increase ongoing and recurring revenues: total ongoing rental and recurring revenues now 35% of overall revenue for the March 18 quarter, up from 23% in the December 17 quarter and look set to increase further.

Increase total value of unit sales: introduction of new products such as the Thermal Camera and Trailer systems to be sold at a value of \$12,000+ and \$10,000+ respectively, compared to the standard HD4 system of \$3,200.

Target new industries: to capitalise on demand for remote asset monitoring and autonomous management.

Pursue international market: currently in the planning and market analysis stage for expansion into overseas markets.

R&D Supports New Product Innovation and Growth

Spectur is built on ongoing research and development and has a successful history of developing and commercialising market leading products

- The Company's Research and Development centre in Melbourne is now the centre of Company wide R&D efforts;
- Successful client trials of **Thermal Camera Systems** which have been developed in house;
- Pending launch of in house developed **Trailer Mounted Systems** for HD4 and Thermal camera systems;
- Pending integration of **Artificial Intelligence and Machine Learning** to:
 - to enhance detection;
 - More accurate alarm triggers;
 - offer very specific object detection; and
 - provide ability to accelerate integration of facial and number plate recognition.
- New product lines under research & development to integrate into existing systems :
 - **Gas detection technology** used to identify leaks in remote pipelines without the need for physical inspection,
 - **LIDAR technology** that can be used in the ever-present need for perimeter security.
- Additional product lines are in various stages of development to ensure an ongoing two year new product commercialisation pipeline;
- Spectur's management team has a successful history of developing and commercialising new and innovative technologies.



Strong History of Commercial Success

Spectur has a strong history of successfully developing and commercialising products



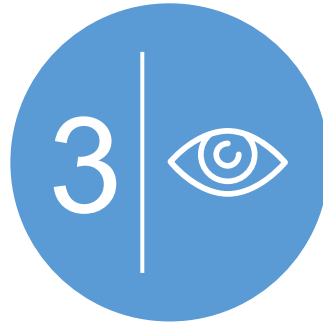
Seven Years

The technology has been developed by Spectur over seven years including over 5,000,000+ camera hours operation in the field



99+%

Operational uptime target for the Spectur HD4 of 99.8%



1,200+ Cameras

Over 1,200 + camera systems currently deployed in the field



Clients

Existing clients include government organisations, industrial and commercial Tier 1 companies and Military in Australia



Repeat Business

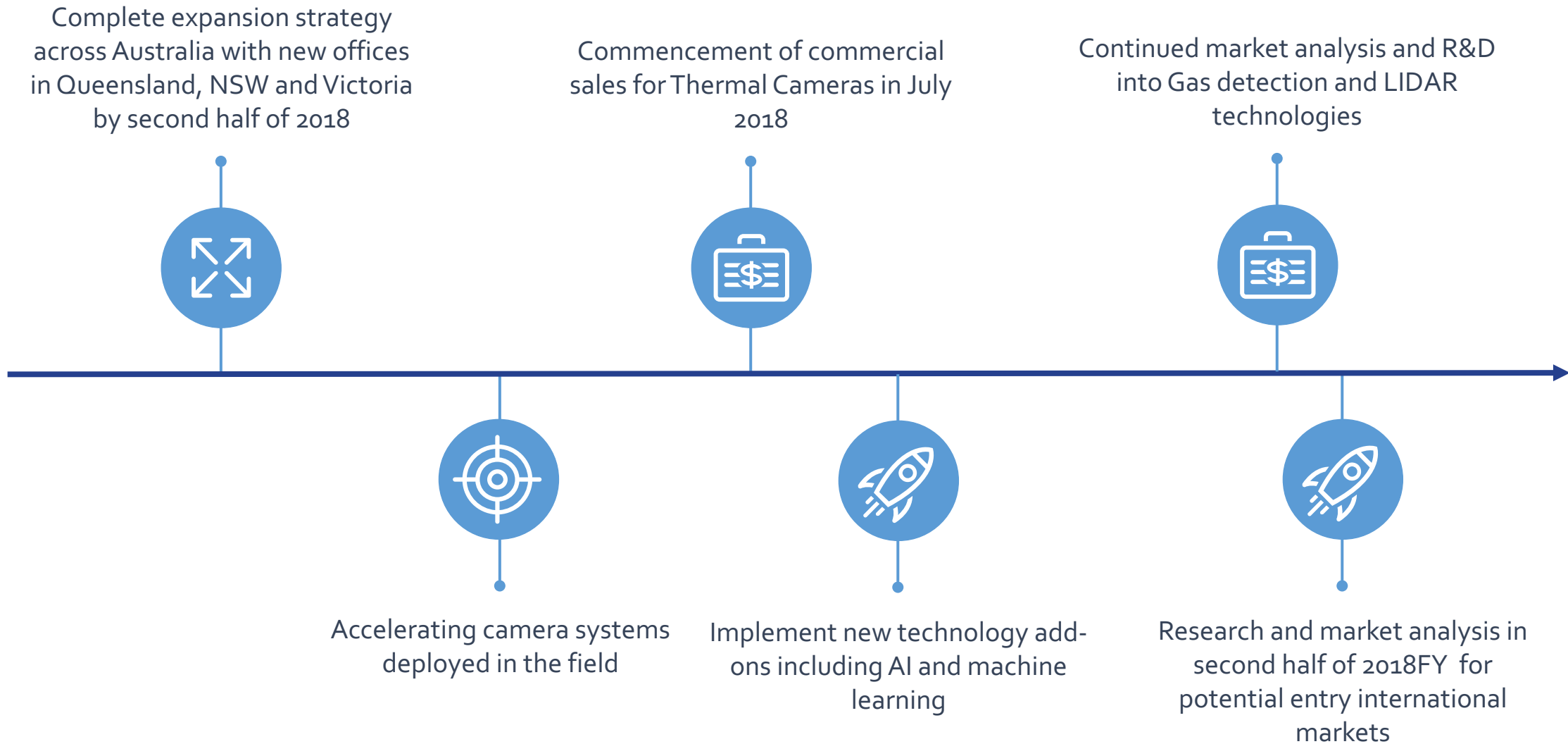
Customer retention at high levels and a large portion of sales from repeat business, referrals or ongoing rental or recurring cloud revenues



Recurring Revenues

Ongoing rental and recurring revenues now account for 35% of overall revenues

Strong Pipeline of Activity



Established Customer Base

Spectur’s clients include Tier 1 Australian and International organizations across the construction, critical infrastructure industries, transport, mining and military

Customer 1 <i>Multinational construction, property and infrastructure company.</i>	Customer 2 <i>Consortium of global transport and infrastructure businesses</i>	Customer 3 <i>Major international resource Company</i>	Customer 4 <i>International transport and logistics company</i>	Customer 5 <i>Electricity transmission network owner and operator</i>
Locations: Operations across the globe in Asia, Europe, the US and Australia	Operations: Operate major public transport operations across metropolitan area.	Operations: Projects across the globe including Australia, China, Europe and North America	Operations: Logistics yards throughout Australia and international locations.	Operations: Operate electricity transmission network, an electricity distribution business and a gas distribution business

Board and Management



Richard Wilkins
Executive Chairman

Richard has extensive industry experience in electronic engineering, telecommunications and radio communications. His experience spans from product design and technical development through to overseeing the commissioning and maintenance of major communications networks.



Peter Holton
Managing Director

Peter Holton has over 30 years' senior management experience in product sales, distribution and marketing in Australia and Europe. He has been directly responsible for managing and increasing product lines and sales via direct sales, distribution and licensing.



Stephen Bodeker
Non-executive Director

Stephen Bodeker is an accomplished senior executive with over 20 years' experience in the corporate sector, working within several industries including professional services, logistics, manufacturing, health services and media. He has held senior finance roles in organisations including KPMG and Nestor Healthcare.



Andrew Hagen
Non-executive Director

Andrew Hagen has substantial experience in business development, management, marketing and sales. Andrew worked in the property development industry as a director of Tuart Properties, a privately held property development business since 2003 and worked as a Development Manager for ASX listed as well as government owned property development firms such as Brookfield Ltd, and Mirvac Ltd.



Suzie Foreman
Company Secretary

Suzie Foreman is a Chartered Accountant with over 20 years of experience within the UK and Australia, including 11 years combined experience with a Big 4, and a boutique advisory firm, specialising in the areas of audit and corporate services. Suzie has extensive experience as a Chief Financial Officer and Company Secretary for ASX listed and start-up companies.



Dr Nick Le Marshall
Technology And
Development Manager

Nicholas (Nick) Le Marshall has over 20 years' experience in software and hardware product development. He has previously provided consulting services to Honeywell Aerospace/Defence (used by the United States Air Force), Telstra and the Royal Melbourne Institute of Technology.

Contact Details

MANAGING DIRECTOR
PETER HOLTON

peterh@spctur.com.au

08 9414 9059

EXECUTIVE CHAIRMAN
RICHARD WILKINS

richardw@spectur.com.au

08 9414 9059

COMPANY SECRETARY
SUZIE FOREMAN

suzief@spectur.com.au

