




Investor Update – Haldon Industries Acquisition

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MANAGING DIRECTOR &
CHIEF EXECUTIVE OFFICER



Making Water Work *Harder*



Making water work *harder*

SciDev solves operational and environmental issues relating to water across multiple global industrial markets.

Our products and services are backed by expert support from our highly experienced team.

SERVICES

Chemistry

Professional Services

Engineering & Process Control

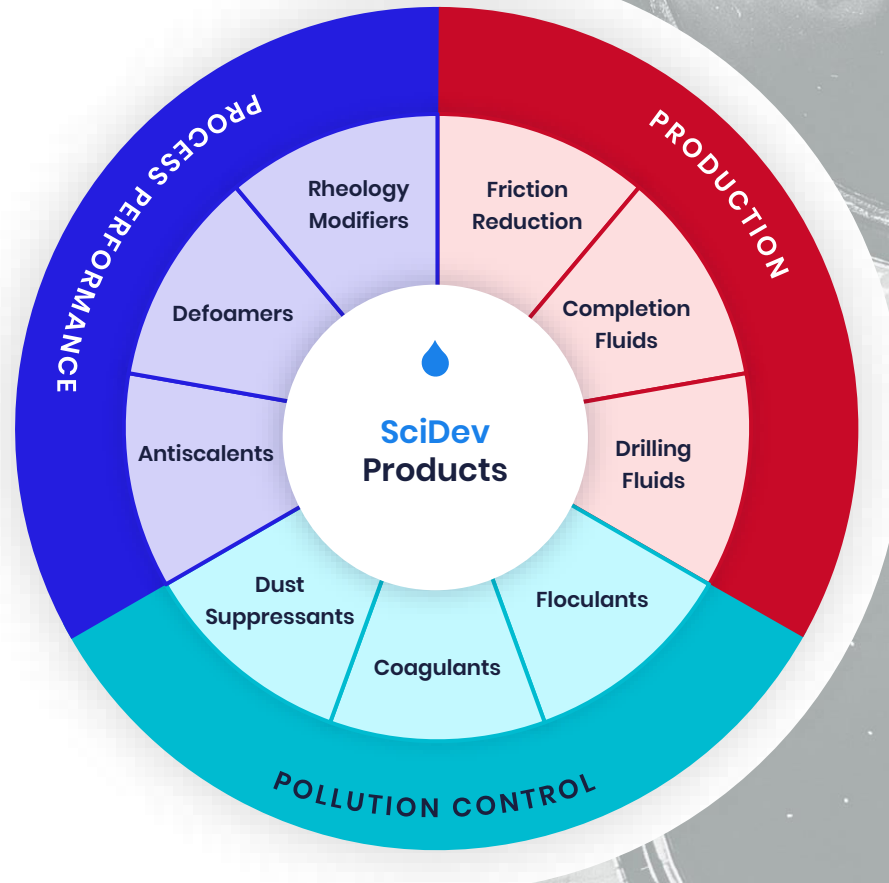
INDUSTRY

Mining & Mineral Processing

Oil & Gas

Infrastructure & Construction

Water & Wastewater



SciDev's
1H FY21:



1HFY21 REVENUE

A\$18.3m



REVENUE GROWTH VS PCP

+300%_{YOY}



CASH AT BANK
(31 DEC 2020)

A\$7.1m

SciDev target four global key verticals



Mining & Mineral Processing



Oil & Gas



Infrastructure & Construction



Water & Wastewater



SciDev Solutions



Addressable Market



1H FY21 Annualised Revenue



Mining & Mineral Processing

SciDev is an industry leader in solids-liquid separation in the mining and mineral processing sector.

US \$2bn

Global mineral processing chemistry market.

A\$14m



Oil & Gas

Engineered performance solutions to recycle, reuse and minimise oilfield water waste.

US \$2bn

Specialty and production chemical market in US oil and gas industry.

A\$14m



Infrastructure & Construction

Reduce costs and operational downtime in the infrastructure and construction sectors.

US \$1bn

Infrastructure and construction dewatering chemistry market.

A\$6m



Water & Wastewater

Leading supplier of treatment and products for the industrial, F&B, and municipal water sectors.

US \$6bn

Municipal and industrial water treatment market.

***A\$2m**

**Does not include future Haldon Industries contributions*



Haldon Industries



Deal Rationale

Haldon provides SciDev with presence and scale in the infrastructure and water & waste water verticals.



Access

to the growing Poly Fluoroalkyl Substances (PFAS) market with deeper exposure to **Water Treatment** and **Construction** sectors



Diversification

of revenue streams in terms of **geography**, **customer base**, supply chain and end commodity exposure



Leverage

the **complementary engineering skill** set and technology to drive further business across all **SciDev** segments



Utilise

SciDev's **manufacturing and supply chains** to provide direct **chemical** sales to Haldon's customers



People & Culture

alignment between the groups. Haldon will provide **additional 20 skilled personnel** to drive solutions for customers



Growth

opportunities to **leverage Haldon technology** through SciDev's international footprint and **existing** customer base



About Haldon Industries

Australian based
**environmental engineering
and solutions company**

Provides SciDev with
presence and scale in the
infrastructure and water &
wastewater verticals

Haldon are **high growth
with positive EBITDA** and
cashflow

Haldon operates in 4 verticals that will all come under the SciDev Water Segment



Water Treatment

The provision of mobile water treatment plants for contaminated groundwater, landfill leachate, industrial waste and construction water.



Groundwater dewatering

Management of groundwater and surface water across a range of industries including construction and infrastructure.



Remediation

Removal of contaminants including heavy metals, ammonia, hydrocarbons, nutrients and PFAS.



Liquid waste

Onsite liquid waste treatment services ranging from oil and water separation to the treatment of multi-faceted waste streams.



PFAS

Per and Polyfluoroalkyl substances (**PFAS**) are a family of human-made chemicals

Ability of PFAS to remain intact in the environment results in **increasing levels of contamination**

PFAS contaminated soil presents **major excavation and soil management challenges** in large scale construction and infrastructure projects



PFAS Treatment

- **Haldon** has been successful in creating significant value in the growing market for **treating PFAS** with internally **developed IP**.
- **PFAS** have become a growing **issue** in large mining, construction and **infrastructure** projects in **Australia** and across the **globe**.
- **Haldon** approaches their solution to **PFAS** in a similar manner to how **SciDev** approaches their clients - every project is different and requires a **tailored** approach. This drives **efficiency**.
- Haldon designed and developed **robust PFAS** treatment **strategy** considers all variables and outcomes. **Removal rates** being achieved with Haldon clients are currently the most **efficient** in the country, to **residual** levels that are **below** existing **detection** limits.
- Significant ability for **SciDev** to deliver a **full treatment** solution to major infrastructure and construction projects on their **water** treatment and **PFAS** remediation requirements





Addressing the PFAS problem

Haldon's PFAS technology works better with **water with low solid levels**

SDV's **Maxiflox Chemistry** separates the **solid particles** and provides a clean feed liquid to the Haldon process

Haldon specialise in the provision of technology to remove **liquids from liquids** which are residual pollutants such as heavy metals or organic compounds

Unique Value Proposition – Waste Volume Reduction

Initial waste volume equates to **8 Olympic sized pools**



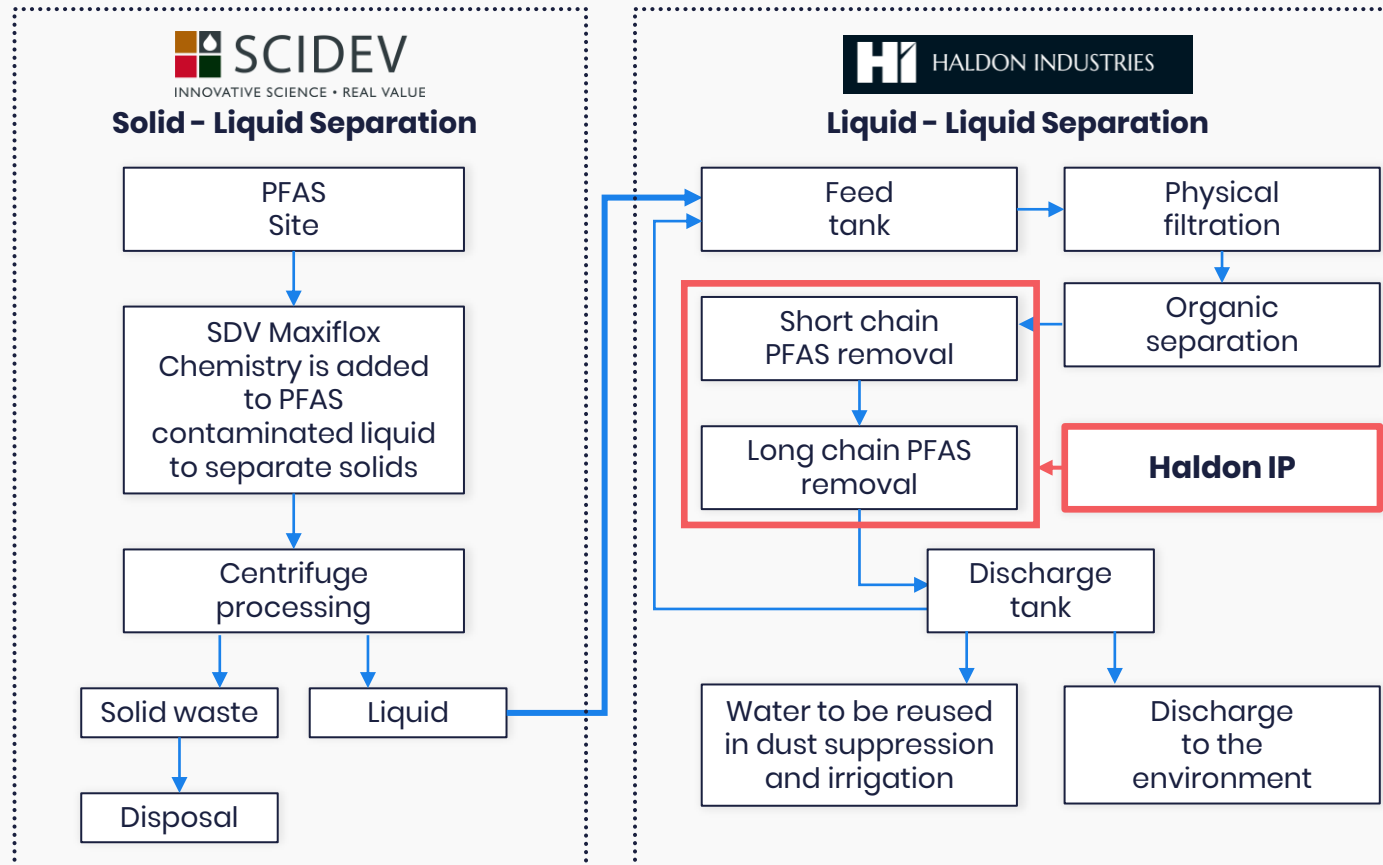
Competitor's technology reduces waste to **9 B-double trucks**



Haldon technology reduces the volume into just **2 hot tubs** of waste



The combination of SDV and Haldon technology can reduced waste water by ~ 20,000 times. Other commercial technology only delivers a ~200 times reduction



Less Waste
Combination of SDV and Haldon will **produce 99% less liquid** waste vs peer processes



Reduced cost
Less waste volume **reduces the disposal cost** of the contaminant



Reuse of water
Water from the Haldon process **can be reused** in areas such as irrigation and dust suppression **reducing the environmental footprint** of the process

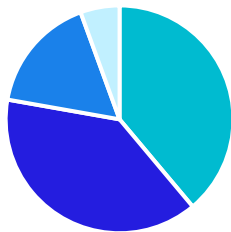


Strong historical growth domestically in Australia funded through cashflow

Haldon Financial Overview¹

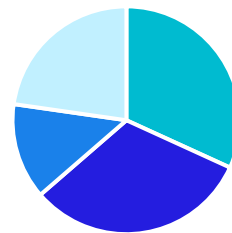
A\$m	FY18	FY19	FY20
Revenue	3.54	4.95	8.13
Gross Profit	2.28	2.43	5.44
Reported EBITDA	1.22	0.38	3.11
EBITDA Margin (%)	34.6%	7.7%	38.2%

SDV 1H21 revenue split



■ Mining ■ Oil&Gas ■ Infrastructure ■ Water

Proforma² 1H21 revenue split



■ Mining ■ Oil&Gas ■ Infrastructure ■ Water

Strong Revenue Growth

+129%

Over past 2 years

Gross Profit Margin

+60%

EBITDA Margin

+28%

1 - Haldon Industries Overview on an unaudited Cash Accounting Basis
 2 - Assumes SDV 1HFY21 revenue plus 6month contribution from Haldon Industries, fully allocated to the water vertical.



Earnout cash payments to be funded by Haldon delivered cashflow over the period

Deal Summary

Earnout Stage	Earnout Target	Max Cash Payment	Target Cash Payment	Equity	Target Total
Completion	N/A	A\$1.70m ¹	A\$1.70m ¹	\$4.33m ²	A\$6.03m
Earnout 1	FY21 EBITDA with a target of A\$3.42m with EBITDA at a Minimum 20% of Revenue	A\$3.60m	A\$2.4m	-	A\$2.4m
Earnout 2	FY22 EBITDA with a target of A\$4.50m with EBITDA at a Minimum 20% of Revenue	A\$3.62m	A\$2.41m	-	A\$2.41m
Earnout 3	FY23 EBITDA with a target of A\$5.40m with EBITDA at a Minimum 20% of Revenue	A\$3.62m	A\$2.41m	-	A\$2.41m
Company acquisition cost		A\$12.54m	A\$8.92m	A\$4.33m	A\$13.25m
Asset Lease	Leased assets from Haldon over the Period	A\$5.0m			A\$5.00m

Upfront Equity at \$0.80/ps

+14%

30 day VWAP

P/E Multiple

6x³

- 1 - Subject to standard working capital adjustment mechanisms upon completion
- 2 - SDV equity calculated at \$0.80 with 24 month escrow
- 3 - P/E multiple incorporates leasing fees



SciDev *Outlook*





WHAT WE'RE
FOCUSSING ON

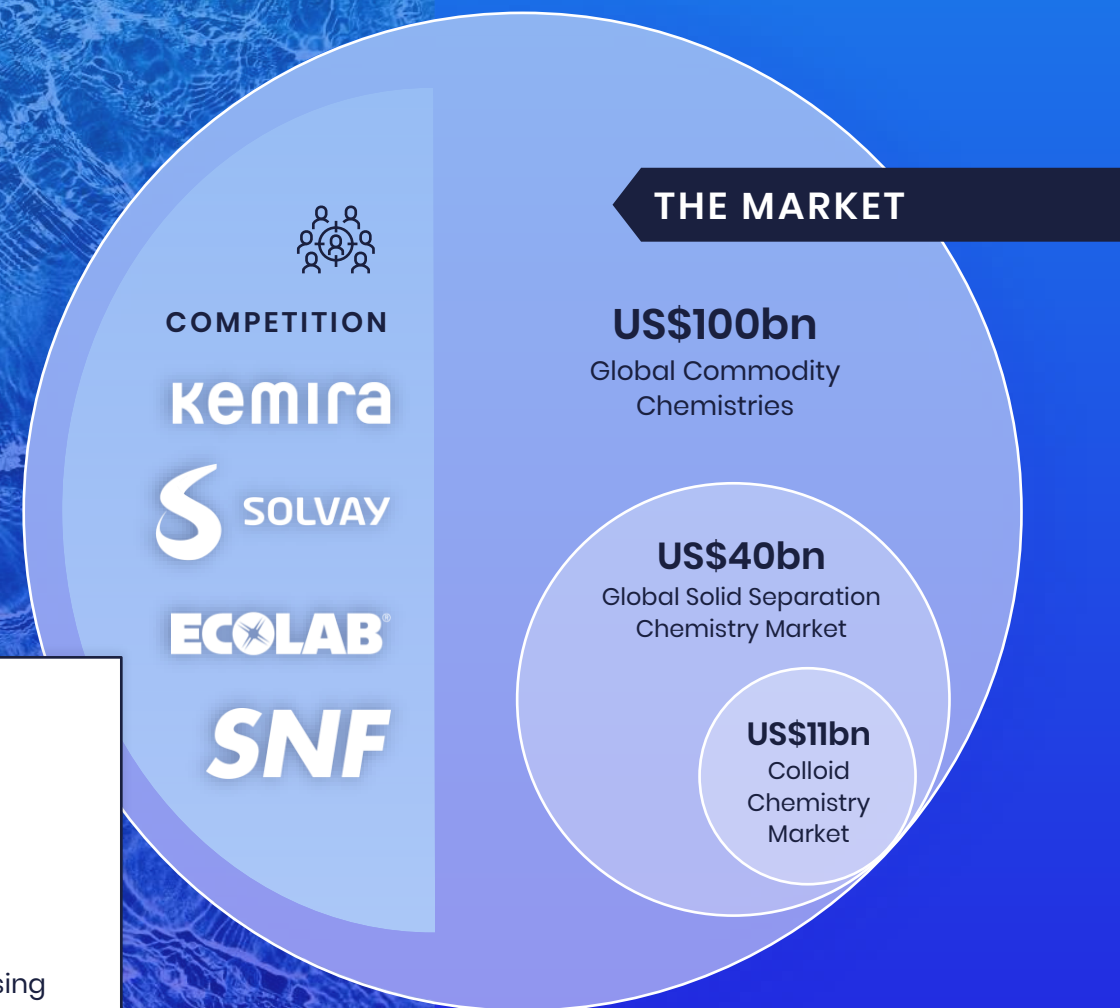


The market *opportunity* & competitive landscape

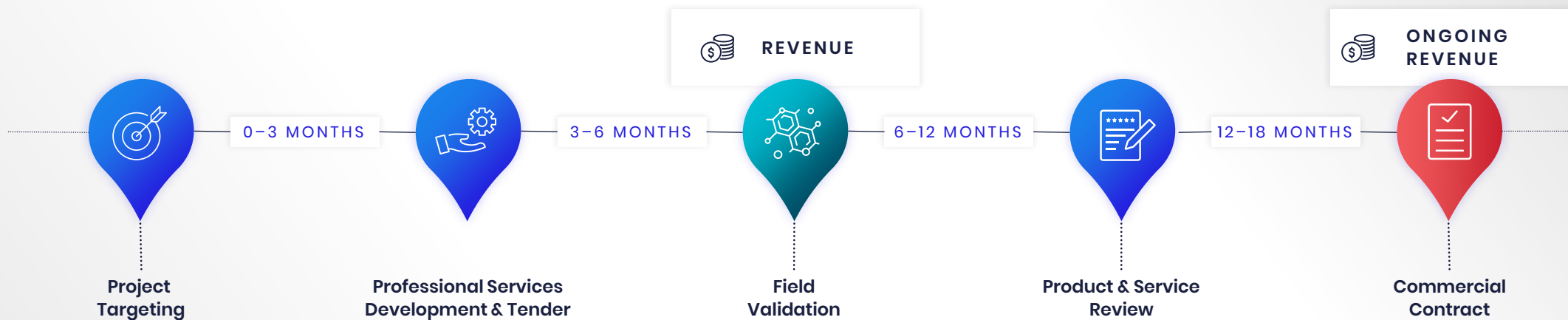
SciDev is focused on fine particle separation chemistry (colloid chemistry), which is a **US\$11 billion** sector within the broader **US\$100bn** global commodity chemistry market.

SciDev has significant opportunity for growth. Our current operational footprint is as follows:

 SERVICING 2km Global TBM Slurry market 500km	 ACTIVE ON 6/195 Rigs in the US shale industry	 ACTIVE ON <1% Mine sites globally	 ACTIVE ON >14 Water processing sites globally
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How We Win Business



Recent Field Validation Work

Syncrude

Field qualification at one of Canada's largest oil sands producers

BHP

Field validation at Olympic Dam copper mine

OZ Minerals

Provision of chemistry for Prominent Hill copper mine

FMG

1 week trial at the Solomon Hub iron ore operation

BP

Field qualification of inhouse developed oilfield completion fluid

Recent Significant Contract Wins

Shell

Secondment of HFT staff to Shell to provide product development support

Exxon Mobil

US\$0.5m deal for provision of lightweight drilling fluid

Melbourne Metro

Provision of chemistry and professional services on Melbourne Metro Tunnel

Iluka

3-year contract at Jacinth Ambrosia minerals sands operation

Eramet

18 month supply contract for New Caledonian operations



Outlook

SciDev has a strong growth pipeline and is well positioned to deliver sustainable growth in solid-liquid separation.



SAFETY

Ongoing focus on the **health and safety** of all our employees



REVENUE

Continued focus on increasing **sales** and cash **conversion in** all regions



RELATIONSHIP

Progress **commercial discussions** post field validation of SciDev chemistry



TECHNOLOGY

Continue discussions with **technology partners** in North America and Europe



SECTOR

Capitalise on our position in the North American **oil and gas sector**



GROWTH

Ongoing assessment of strategic **growth opportunities** globally



The *Appendix*

THE INFO YOU
MIGHT NEED



SciDev Snapshot

Corporate overview

ASX code	SDV
Market cap (at \$0.73 per share)	\$112m
Shares on issue	153m
Cash at bank	\$7.1m ¹
Working capital facility	\$7.9m ²

Major shareholders³

	% held
Nuoer Group	6%
Board and Management	8%
Institutional	21%
Retail	65%

Nuoer Group: Leading chemical company. SciDev has exclusive marketing rights in Oceania and support globally for key target end users and industries

¹⁾ As at 31 December 2020

²⁾ Drawn \$1.1m at 31 December 2020

³⁾ As at 2 November 2020

SCIDDEV BOARD



Trevor Jones
CHAIRMAN



Lewis Utting
CHIEF EXECUTIVE
OFFICER & MANAGING
DIRECTOR



Simone Watt
NON-EXECUTIVE
DIRECTOR



Jon Gourlay
NON-EXECUTIVE
DIRECTOR



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Heath Roberts
COMPANY
SECRETARY

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Jeffrey Zhiang
MARKETING
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Ben Gill
TECHNICAL
DIRECTOR



Financial Highlights



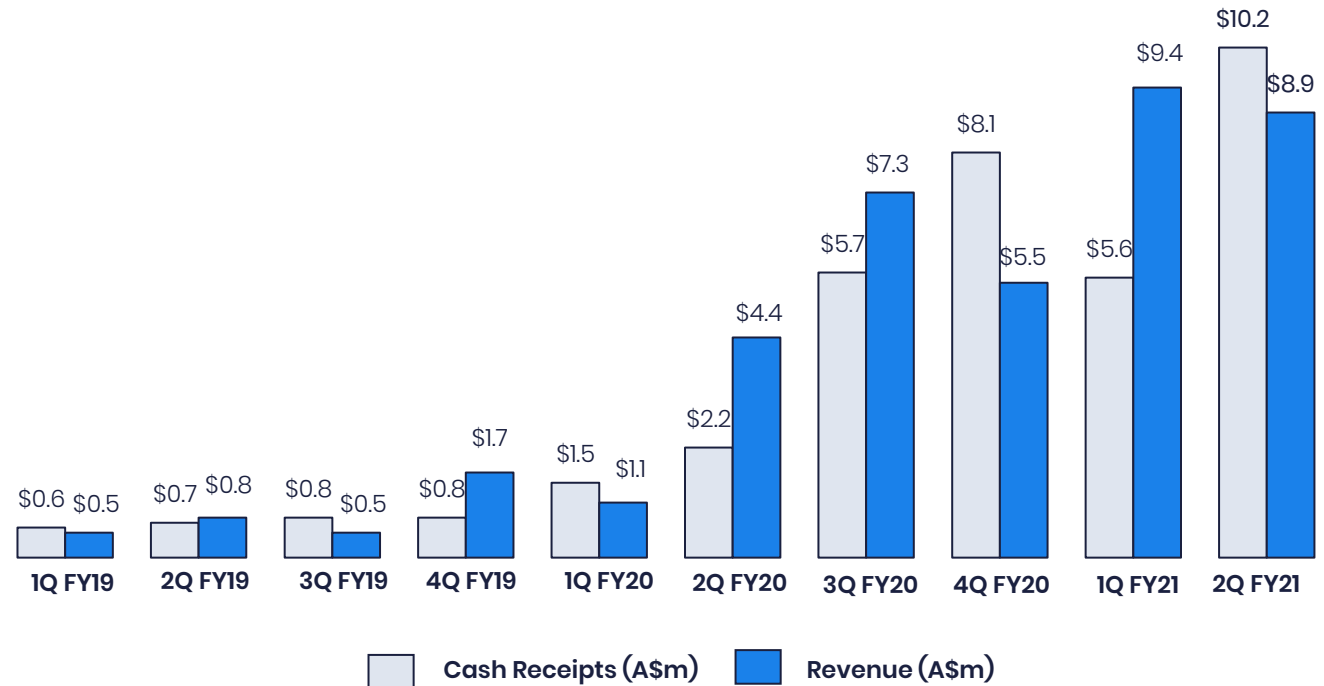
Record cash receipts of **A\$15.8m** in 1H FY21



1H FY21 annualised revenue of greater than A\$36m



\$0.6m Net Profit in 1H FY21





Disclaimer

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