PENTANET

5GG

TRANSACTION UPDATE

20 December 2021

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TRANSACTION OVERVIEW

- Pentanet has acquired a 13.4% stake in CANOPUS for $4m in cash. Pentanet will be the largest shareholder in CANOPUS behind IP Group.

- CANOPUS is a market leader in providing deep application-aware network visibility using Artificial Intelligence and Programmable Networking. It combines Programmable Networks with Machine Learning to enable deep visibility into network traffic, in real-time, at terabit scale, and for low cost.

- Pentanet has executed an MOU to enter a strategic partnership with CANOPUS including a commitment to invest $1.5M of CANOPUS funds in the development of a consumer facing gaming loyalty and reward program that will fully exploit Canopus' real-time gaming analytics capability.

- The partnership will enable exclusive co-development of Pentanet's unique gamified telecommunications and gaming loyalty platform, Cloud.GG, using CANOPUS' analytics technology.

- Designed by Pentanet as a gamified rewards system, the Platform will use CANOPUS analytics for deep insight into network traffic to offer a unique network loyalty and incentive program.

- The partnership is consistent with Pentanet's strategy to create additional revenue generating opportunities by further developing the Cloud.GG portal into a gamified network loyalty, rewards and incentive program

- The transaction will be funded from Pentanet's existing cash reserves and is expected to complete on or around 24 December 2021. The Pentanet capital raising on 18 June 2021 allocated $4m towards further Cloud.GG software development and Pentanet.GG gaming opportunities.

- Pentanet is entitled to appoint one director to the CANOPUS board while it holds at least a 10% stake in CANOPUS. Mr Stephen Cornish has provided CANOPUS with his consent to act as director of CANOPUS.
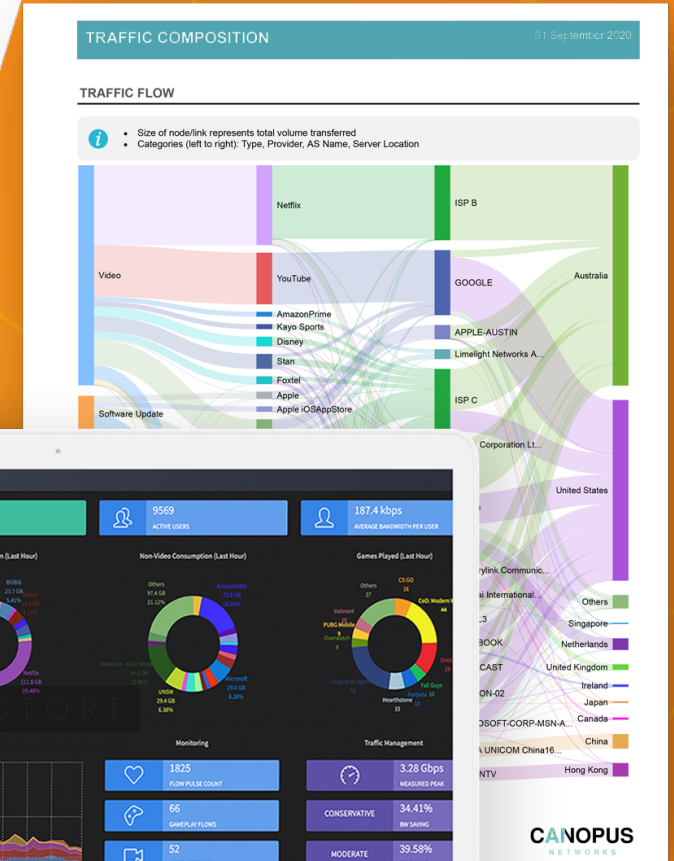
ONGOING STRATEGY (continues)

By further developing the Cloud.GG portal into a gamified network loyalty, rewards and incentive program (the "Program") we are executing on the first and third limb of Pentanet's strategy.

The program will increase margins and ARPU by creating additional recurring revenue-generating opportunities by diversifying our existing product offerings. This diversification is expected to attract more subscribers to Pentanet's networks. In addition, the loyalty rewards and incentive program provides them with a higher-quality customer experience and a competitive service offering.

GROW OUR SUBSCRIBER BASE

- Introduce new technology to increase on-net coverage
- *Deliver high-quality customer experience*
  - *Limit churn*
  - *Customers become advocates*
- *Competitive service offering*
- Targeted marketing and media strategy

EXPAND NETWORK INCREASING POTENTIAL MARKET

- Deployment of large-scale mmWave wireless telecommunications network
- Increase available speeds to 1Gbps for more fixed wireless customers
- Line of sight to tower no longer required for every subscriber
- Increase market penetration with greater fixed wireless coverage across Perth metro area

INCREASE MARGINS

- Attract more off-net subscribers to higher margin on-net services
- *Diversify product offering (VOIP, consumer electronics)*
- NVIDIA GeForce NOW Alliance Member bringing cloud gaming service to Australia
- Continue development of premium brand for alignment to speed and quality

ABOUT CANOPUS NETWORKS

CANOPUS Networks combines Programmable Networks (software-defined networking, SDN) with Machine Learning to enable deep visibility into network traffic, in real-time, at terabit scale, and for low cost.

What's the mission of CANOPUS Networks?

CANOPUS aspires to be embedded in all networks – Telcos, Enterprises, National Infrastructure, and Governments – to make all data-in-motion indexable and searchable, in real-time, at Terabit speeds, across billions of endpoints; all with very low deployment cost and effort.

FOUNDERS
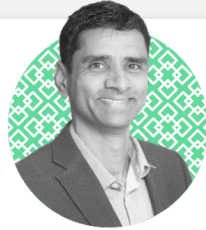
Vijay Sivaraman
Co Founder & CEO

- Professor & Inventor
- Silicon valley startup experience
- Commercial projects with Google, Cisco, HPE, Optus, etc.
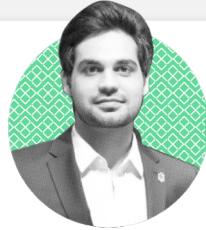
Himal Kumar
Co Founder & CTO

- Software Engineering adept
- SDN and AI/ML expert
- Skilled leader in open-source technology R&D

ADVISORS

Kevin Bloch
Advisor

- Former Chief Technology Officer (CTO) for Cisco Australia and NZ for over twelve years.
- Previously leading Engineering across Cisco's entire technology portfolio.

Genevieve Gregor
Advisor

- Over 25 years' experience in various investment, commercial and finance roles across banking, private and public companies.
- Previously worked at Goldman Sachs, Citigroup and Glencore.

BOARD

David Spence
Chairman

- 20+ internet-related businesses as Chairman, CEO, Director.
- Former CEO of OzEmail
- Former Chairman of PayPal Australia

Rob Appel
Director

- Entrepreneur, investor and executive of 20+ years.
- Industries include telecommunications, online media & marketing, ecommerce, fundraising and more.

Hakan Eriksson
Director

- Globally experienced technology leader with deep Telco expertise
- Former CEO of Ericsson Australia
- Former CTO for Telstra.

Paul Barrett
Director

- Experienced technology executive, working at the cutting edge of science and engineering for two decades.
- Experience in supporting early-stage technology to large multinationals.

CANOPUS
N E T W O R K S

Actionable analytics across your network.

Terabit-scale AI platform for application and network performance analytics.

Actionable reports to grow your business.

With our detailed analysis, you can easily access reports and dashboards that capture the complete activity of your network and track changes.

"The FlowPulse technology does for encrypted traffic on a network what Shazam does for music, offering deep visibility to identify and the opportunity to reward user activity."

– Stephen Cornish, Pentanet

FlowPulse Analytics

Canopus' FlowPulse system generates a fine-grained 100ms real-time heartbeat of every network flow to precisely track hundreds of flow attributes.

Terabit Scale

Powered by the P4 programmable Intel Tofino chip, AI-Driven FlowPulse Technology is able to monitor, analyse and provide insights into terabit scale traffic rates.

Encryption Proof

With state of the art behavioural FlowPulse Machine Learning models, FlowPulse uses deep learning methods to classify traffic without inspecting packet contents.

Real-time Dashboards

Real-time interactive dashboard lets an operator closely monitor network performance, pre-empt faults, and perform root-cause analysis for the entire network centrally.

Edge Architecture

Distributed architecture provides ease-of-scale and keeps the costs low by deploying minimum hardware at multiple edge sites, while keeping the analytics centralised.

Customer QoE

Measure precise customer experience for a wide range of applications such as Streaming, Conferencing, Live Video and Gaming, to deliver customer satisfaction and SLAs.

CloudGG

Developed by Pentanet, the current Cloud.GG Portal is a centralised user management and analytics program designed to assist with cloud gaming onboarding.
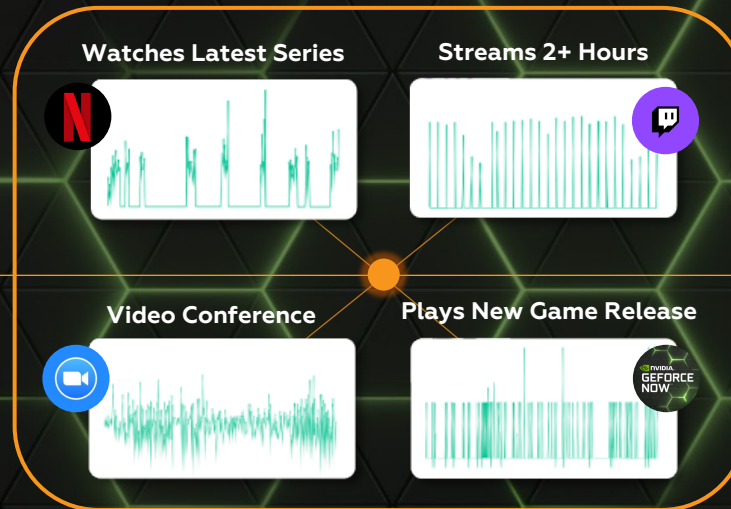
Pentanet plans to further develop the Cloud.GG Platform to a unique gamified telecommunications and gaming loyalty platform, using the CANOPUS' FlowPulse technology.

EXAMPLE ONLINE ACTIVITIES

Watches Latest Series

Streams 2+ Hours

Video Conference

Plays New Game Release

Internet User

Does stuff online.

FlowPulse

Machine Learning enables deep visibility into network traffic, in real-time.

Cloud.GG

Data plugs in to Cloud.GG – creates gamified network with gaming loyalty and rewards platform to create our new telco meta currency.

THANK YOU

2/8 Corbusier Place
Balcatta WA

+61 8 9466 2672
investors@pentanet.com.au

pentanet.com.au/investor-centre
ASX: 5GG

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