



SMART MARINE SYSTEMS

Smart Marine Systems Ltd (ASX:SM8) Shareholder Update – May 2018

Corporate Overview

Developing Sustainable Marine Technology

Committed to delivering shareholder returns

Share Price Information

ASX Code	SM8
Share price	\$0.035 (11/5/18)
30 Day VWAP	\$0.034 (11/5/18)
Shares on issue	106,505,829
Unlisted options	27,365,000
Unissued Performance Rights	17,698,710
52 week high	\$0.105
52 week low	\$0.027
Market capitalisation	\$3.73 m
Cash	\$0.9 m
Average daily volume	121,477
Top 10 shareholders	54%
Date listed on ASX	12/05/2016
GICS classification	Technology hardware and equipment



Craig Anderson | Director and Co-Founder

Production specialist with significant experience commercializing innovative projects



Hamish Jolly | Director and Co-Founder

Thought leader in industry-led marine science innovation, expert in R&D and technology commercialisation



David McArthur | Director

Accountant with significant experience in managing listed companies over three decades

The Company

Smart Marine Systems (ASX:SM8)

Maritime technology company developing
award-winning, non-invasive marine products



SAMS™

Visual Technology which is
applied to marine and
watersport products



Clever Buoy™

Near shore marine
monitoring and
communications platform
with shark detection system



SEABINPROJECT.COM

Seabin™

Automated oceans cleaning
device that catches floating
rubbish, oil, fuel and
detergents for ports and
marinas



SMART MARINE SYSTEMS

Recent Company Achievements

- Market Penetration for Clever Buoy into USA
- Proposed US Pilot Project Announced by US Congressman
- Bruce Hopkins engaged as Clever Buoy Ambassador
- Successful Clever Buoy deployment for major international event Ironman 70.3 Busselton and WA Open Water Series at Scarborough Beach.
- Proposals prepared and in discussion for locations in Australia, US and Europe.
- Company Name Change – Smart Marine Systems
- Commencement of Seabin sales in Europe, USA and Asia.
- Seabin presales launch resulted in excess of 2500 orders.
- Strong initial trial results from counterillumination project with Macquarie University



The Company – Current Status

Clever Buoy 2018 Objectives

- Commencement of pilot installation at Corona Del Mar, Newport, California **ON SCHEDULE – JULY 2018**
- Commencement of a 3 year pilot program for 6 beaches in Southern California – **OCTOBER 2018 PENDING OUTCOME OF PILOT PROJECT**
- Market Penetration for Clever Buoy into East Coast USA (Florida and NE Coast) and Hawaii – **SIGNIFICANT ENQUIRY RECEIVED AND PROPOSAL SUBMITTED FOR RESORT IN HAWAII.**
- Clever Buoy Consumer App launch – **ON SCHEDULE FOR TRIALLING DURING CALIFORNIA DEPLOYMENT – JULY 2018**
- Collection and Dissemination of Marine Data and Beach Information
- Penetration of Consumer wearables market – **DISCUSSIONS WITH GLOBAL SMART WATCH MANUFACTURER UNDERWAY**

Seabin 2018 Objectives

- Completion of sales and installation of pre-sales commitments of Seabin
- Establishment of Australia based operations
- Development of improved versions of Seabin



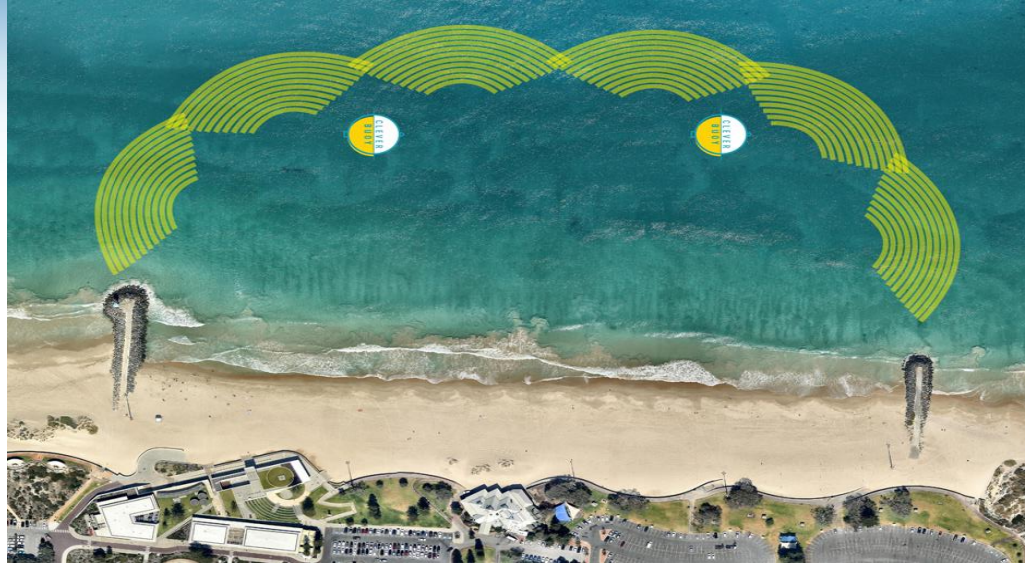
Clever Buoy – Real Time Marine Monitoring

- **Automated shark detection and response system** that utilizes sonar detection to enable the establishment of a protective perimeter around a beach.
- **Autonomously identify large sharks from other species** and sends a warning signal to shore for human intervention response.
- Artificial intelligence Data Collection and Testing in Sydney Aquarium, Abrolhos Islands (WA), Esperance (WA), Sydney Institute of Marine Science, Bondi Beach and Hawks Nest
- IP is protected by international patents.
- Formally endorsed by Australian Professional Ocean Lifeguard Association (APOLA) and Surfing WA.
- **Successful pre-commercialisation deployment** at Bondi, Sydney (2016) – multiple beach closures in 2 month period prior to installation and 33 sharks with no beach closures during 3 months deployment.
- **Successful pilot deployment** at City Beach, Perth (2017) with integration into Government Emergency Services notification network.
- **Utilised by World Surf League** at Championship Events in Australia and South Africa, Ironman 70.3 Event and WA Open Water Series.
- **Clever Buoy is commercialized and ready for global rollout**



Clever Buoy - The Virtual Shark Net

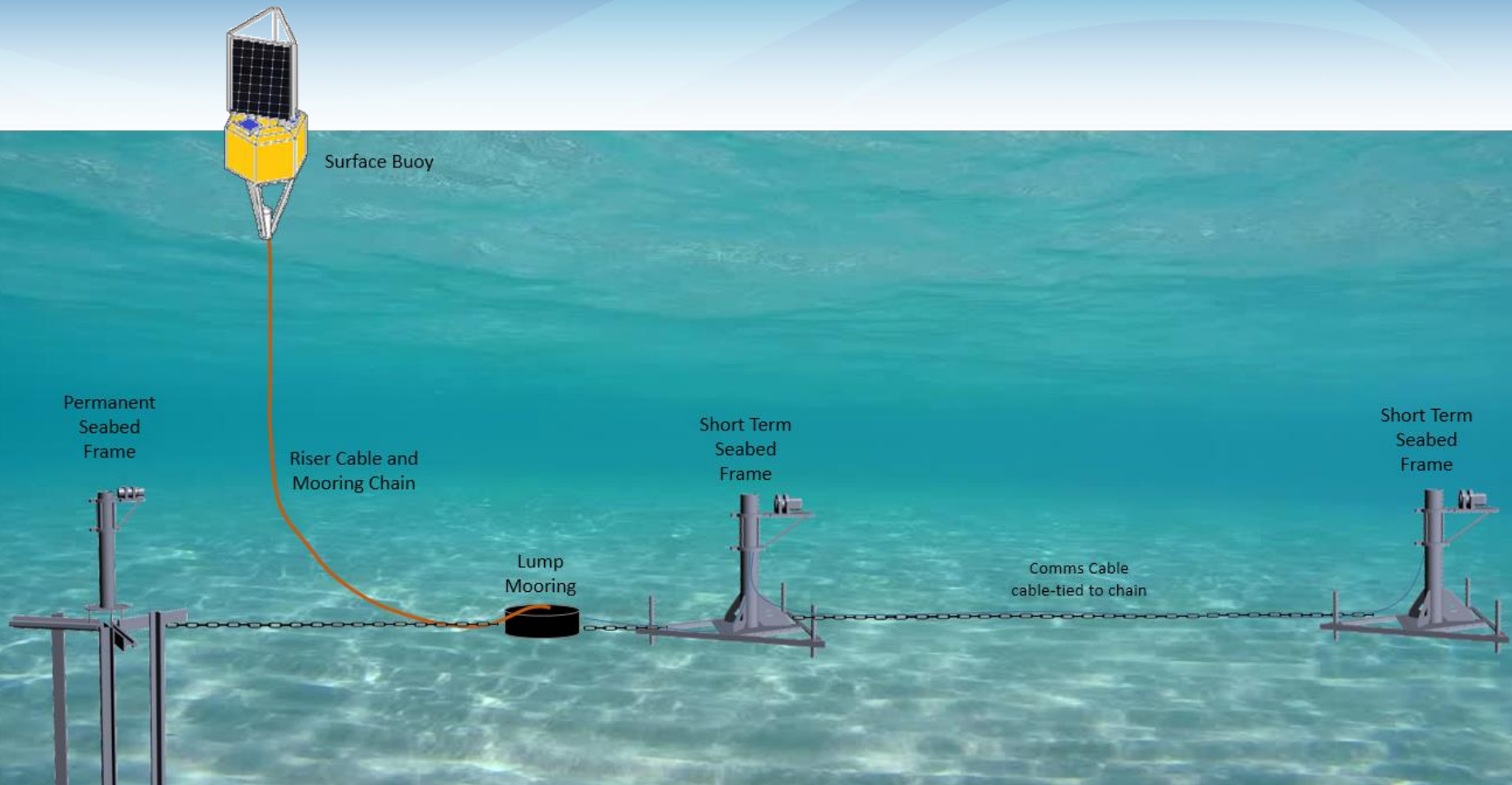
City Beach
Perth, Western
Australia
January 2017



**Corona Del
Mar Beach,
Newport**
California, USA
July 2018



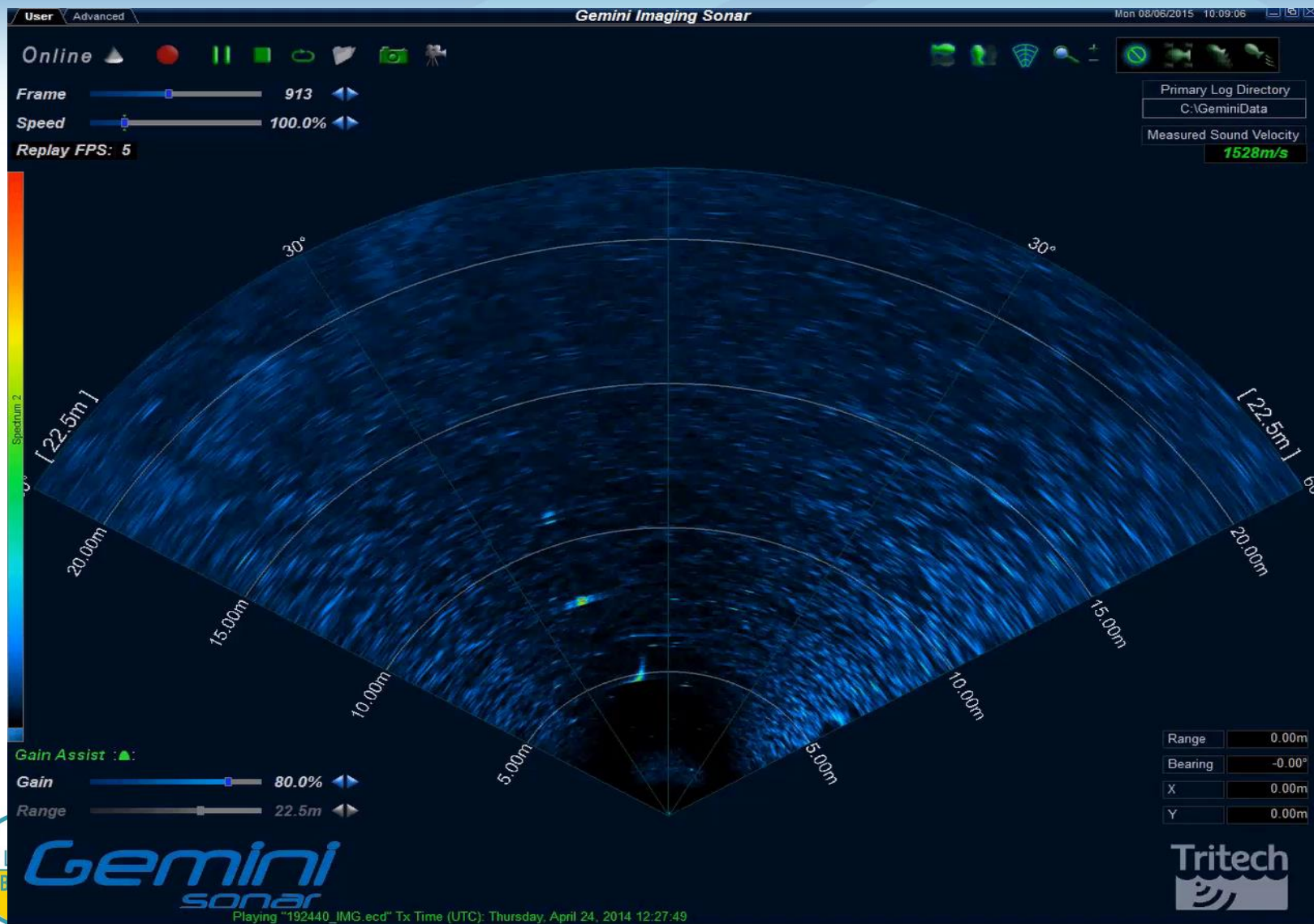
Clever Buoy - Infrastructure



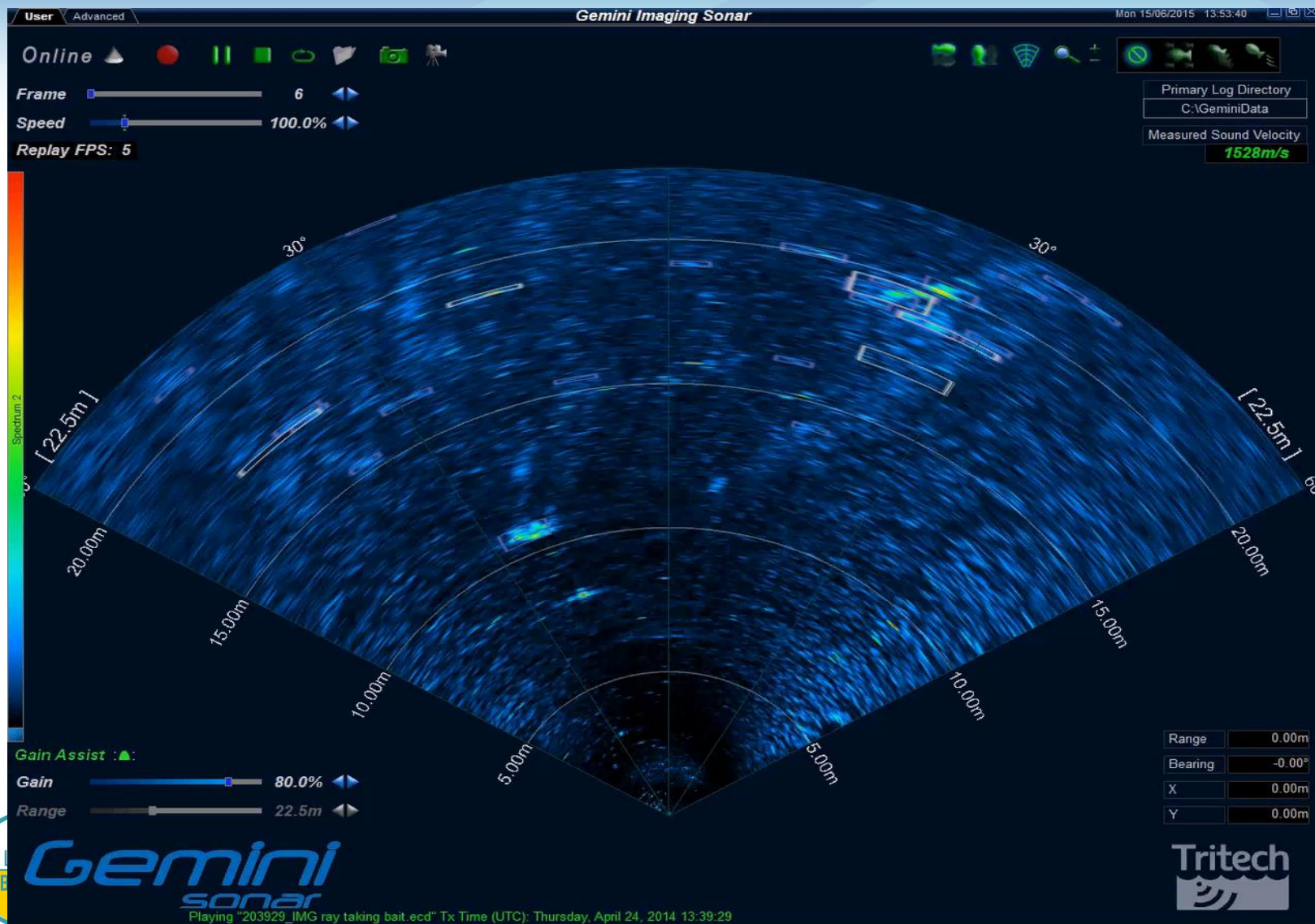
Underwater Clever Buoy components



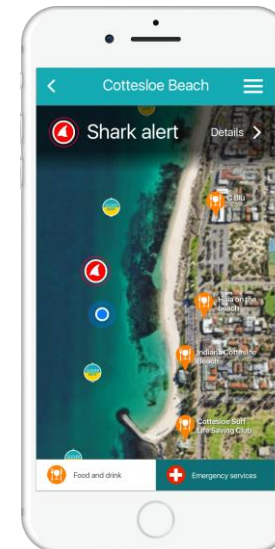
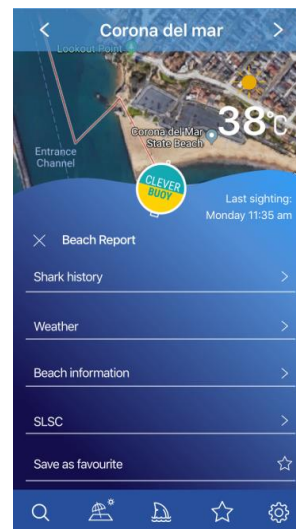
Sonar Video



Sonar Video



Clever Buoy Mobile Application



The US Opportunity

Rapidly escalating shark problem

- Highest number of negative interactions in the world
- Large number of juvenile sharks present
- No clear mitigation strategy by US Authorities

Significant Market Size

- > 3200 patrolled beaches
- Average beach size of 1 mile
- Potential Market size of US\$5B

Large Population Base

- California beach visit numbers approximately 200M per annum
- LA County account for 50% of visits

Public and Political Will

- Strong response from all administrative levels
- Federal Government financial support
- Immediate traction in Southern California
- Direct engagement with Congress in Florida and California



Clever Buoy USA Strategy

Phase 1



- Establishment of US domiciled wholly owned subsidiary – Clever Buoy (USA) LLC - COMPLETED
- Clever Buoy USA to hold exclusive rights to the Clever Buoy IP for the North American market and repatriate an annual licence fee and royalty fees to Clever Buoy (Australia) - COMPLETED
- Environmental Approvals and Permitting to operate in US Waters – COMMENCED
- Pilot deployment at Corona Del Mar Beach, Newport California – ON SCHEDULE FOR JULY 2018
- Commitment and Funding for 6 beach roll out in Orange County from Federal, State, County and City Departments – UNDERWAY



Phase 1 Progress Update



Congressman Dana Rohrabacher Announcing the 2018 Clever Buoy Trial at Corona Del Mar



California Lt Governor Newsome has delegated staff to assist Clever Buoy with necessary permits for first deployment

Newport Beach Mayor Kevin Muldoon and Lifeguard Chief Rob Williams reinforce the value of Clever Buoy in their City.



Clever Buoy proposals requested by Cities of San Clemente and Coronado, and discussions underway with Los Angeles city and Martins County in Florida.



Clever Buoy USA Strategy

Phase 2



- Roll out in California with business model that will deploy infrastructure at beaches and charge State/County/City municipalities fees for the safety information service – DISCUSSIONS COMMENCED
- Release of expanded Clever Buoy Consumer App that focuses on the safety and amenities of each beach on the CB network – TO BE TRIALLED AT NEWPORT DEPLOYMENT IN JULY 2018
- Every beach with Clever Buoy network installed has a “local” CB App that contains all live and/or historical shark detection data plus feeds of local marine data such as swell, wave height, period, temperature etc.
- The App will also include local data feeds for the total beach experience including available data feeds such as parking spaces, restaurants, surf lessons, local retailers etc to leverage local advertising revenue
- California has 200 million annual visits to the beach to access.



Clever Buoy™ | Big Data

Opportunity to collect and monetise in real time valuable information



Localized Beach Environment Data

- Temperature, Wind Speed, Direction and Humidity
- Waves – height, period and direction
- Currents – strength and direction

Beach Safety Data

- Water Quality and Environmental Monitoring CTD Profile, Dissolved Oxygen, Light, Salinity, Turbidity, Pollution, Radiation.
- Live Tagged Shark Reporting

Live Marine Life Identification and Alerting

- 24/7 Marine Life Monitoring - Real time sonar monitoring of marine life with marine life identification software.
- Shark Alert – real time warning system for ALL sharks that swim through the system

AI Learning and Analytics

- Marine Life swim pattern recognition algorithm.
- Predictive Analysis of data for species, seasons and ocean conditions



Seabin | Ocean Cleaning Technology

The revolutionary ocean plastics cleaning device that catches floating rubbish, oil, fuel and detergents and makes oceans cleaner



SEABINPROJECT.COM



- Seabin is an automated cleaning technology
- Seabin catches floating rubbish, oil, fuel and detergents
- Seabin has been designed for marinas, private pontoons, inland waterways, residential lakes, harbours, water ways, ports and yacht clubs
- Seabin has a partnership with Poralu Marine, a global marina manufacturer and distributor and deployment in French port La Motte
- Manufacturing and global sales commenced with installations now in Europe, USA and Asia.
- Pre Sales volumes in excess of 2500 bins.



SMART MARINE SYSTEMS

Seabin | Ocean Cleaning Technology

The revolutionary ocean plastics cleaning device that catches floating rubbish, oil, fuel and detergents and makes oceans cleaner



CAPTURE 3/4
TONS OF DEBRIS
PER YEAR



CATCH BAG CAN
HOLD UP TO
20KG OF DEBRIS



RUNNING COST
LESS THAN **1\$** A
DAY, WORKING
24/7



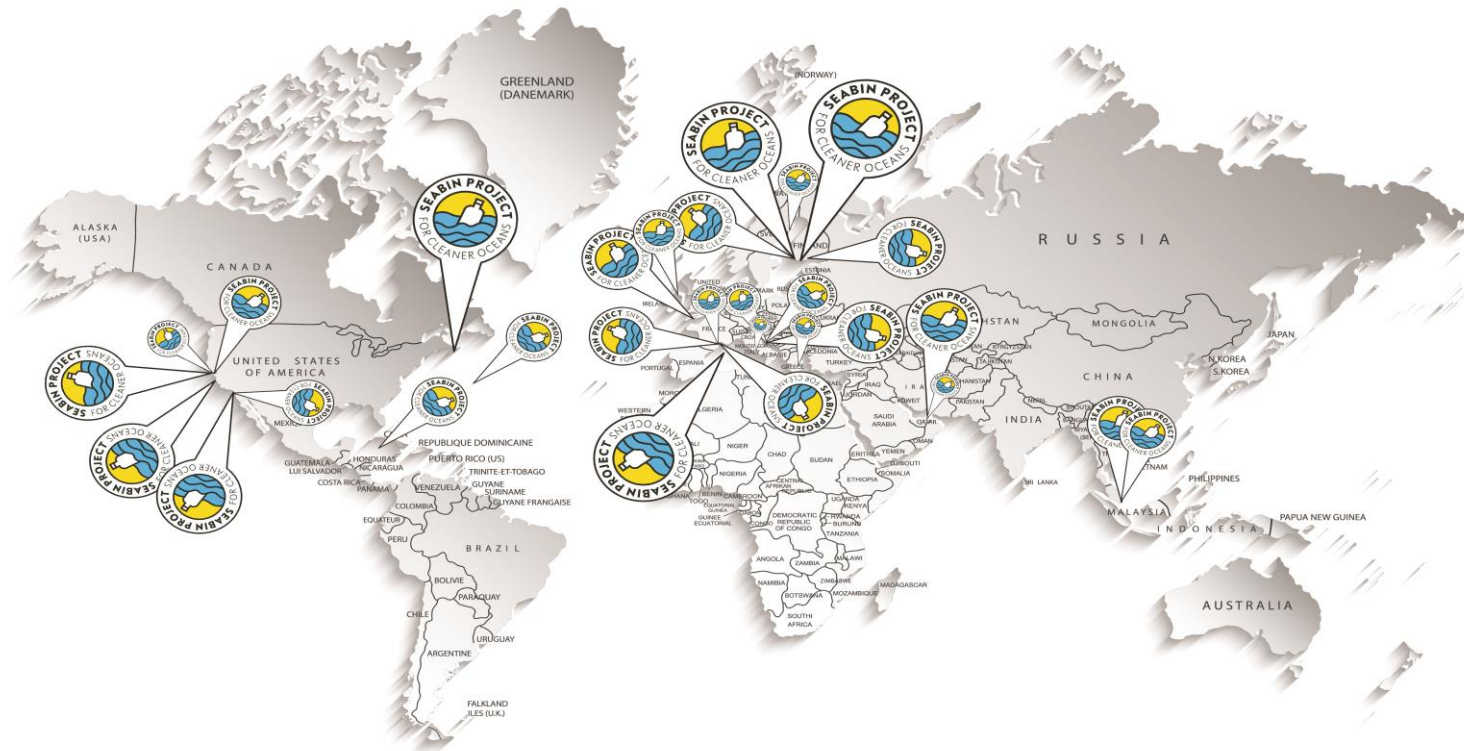
SEABIN'S
CONSTRUCTION
IS 100%
RECYCLABLE*



SMART MARINE SYSTEMS

Seabin | Ocean Cleaning Technology

Current Seabin Installations



New Technology Developments

Counterillumination



Smart Marine Systems - SMS

Published by AddToAny [?] · April 12 at 4:43pm ·

If you continue to ask questions, you will eventually find the answers! Macquarie University in collaboration with Smart Marine Systems (SMS) have found another non-invasive means for protecting surfers and other ocean-goers against the risk of shark attack, allowing the apex predator and humans to coexist peacefully in the ocean playground. The solution is quite illuminating! As sponsor of the research project, SMS hold the rights to commercialise this breakthrough marine technology. Watch this space....



Bright idea: Lights under boards may hide surfers from sharks

Bright idea: Lights under boards may hide surfers from sharks Author Amanda Burdon Date 5 April 2018 Faculty Faculty of Science and Engineering Topic Our...

LIGHTHOUSE.MQ.EDU.AU

- Joint Research Project with Macquarie University in NSW has shown excellent early results from field tests in South Africa.
- The project is based on counterillumination of watercraft to disrupt the silhouette and effectiveness is demonstrating significant success.
- **SMS has the commercialisation rights for this breakthrough.**



<https://lighthouse.mq.edu.au/article/bright-idea-lights-under-boards-may-hide-surfers-from-sharks>



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Smart Marine Systems (ASX:SM8)

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