

15 November 2018

ASX / Media Release

ASX code: **K2F**

Investor Presentation

K2fly Limited (**ASX: K2F**) (**K2F**, **K2fly** or **the Company**) is pleased to release an updated investor presentation as part of a non-deal roadshow taking place in Melbourne and Sydney this week.

ENDS

For further information, please contact:

Brian Miller
CEO & Executive Director
K2fly Limited
T: +61 422 227 489
E: brian@k2fly.com

Investor Inquiries
Paul Hart
Canary Capital
T: +61 421 051 474
E: phart@canarycapital.com.au

About K2fly

K2fly Ltd is an ASX listed technology company which targets asset intensive industries. It supplies people, products and strategic alliances focussed on solving problems for clients.


K2fly owns **Infoscope** (a Data Collaboration solution) for use in Tier 1 companies.

K2fly has strategic alliances with global technology companies such as: GE(USA), Esri (USA) and SAP (Germany).

K2fly also re-sells market leading software which has been developed by industry leaders in the USA, Australia, Europe and the UK. These solutions come from OBI Partners (USA), Kony (USA), Pointerra Limited (Aus), ABB (Switzerland) and Capita plc (UK), where they have an outstanding track record of delivering benefits to clients.

In addition, K2fly provides cutting edge advice, consultancy and services when it deploys its subject matter experts who have extensive domain knowledge in such areas as Rail, Electricity, Gas, Water, Mining, Oil & Gas, Facilities Management, Aviation and Defence.

K2fly Limited ACN 125 345 502

 info@k2fly.com

Registered Office Level 1, 26 Railway Road, Subiaco WA 6008

www.k2fly.com

NOVEMBER 2018

INVESTOR PRESENTATION

k2fly

Leading technology
for asset management

InfoScope
a k2fly company

k2fly Ltd

Brian Miller

www.k2fly.com

DISCLAIMER

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CORPORATE SNAPSHOT

BOARD OF DIRECTORS

Brian Miller – previously led a number of IT software and services organisations in UK and Australia

Neil Canby – a Chartered Accountant by profession, has worked at a number of major IT vendors as well as holding senior roles within Essential Industries

James Deacon – has held a number of senior IT roles within the asset intensive sectors, and currently works in a senior role for a major technology advisory company

Jenny Cutri – a highly experienced legal practitioner and compliance specialist with experience in both public and private sectors. Previously worked for both ASX and ASIC.



CAPITAL STRUCTURE

SHARE PRICE (AS AT 13 NOVEMBER 2018) **19.5 cents**

SHARES ON ISSUE **66,665,227**

UNLISTED OPTIONS **4,270,000**

PERFORMANCE RIGHTS **2,617,500**

LISTED OPTIONS (ASX: K2FOA) (20 CENT STRIKE PRICE / 3 YEAR TERM) **13,264,178**

MARKET CAPITALISATION (AT 20.5 CENTS) – FULLY DILUTED **~\$16.9 million**

CASH AT BANK (LATEST QUARTERLY – 30.09.18)* **~\$0.1 million**

* Excludes \$1.8m raised from Rights issue in October 2018

ENTERPRISE VALUE – FULLY DILUTED **~\$16.80 million**

FREELY TRADED SHARES **50,319,583**

SHARES ESCROWED UNTIL 18 NOV 2018 **16,345,644**

USING TECHNOLOGY TO OPTIMISE VALUE FROM ASSETS

K2FLY VISION

K2fly's vision is to be a "digital enabling partner" for Tier 1 asset-intensive clients whose challenges can only be solved with technology use

Assisting clients to optimise their physical and data asset values with innovative, tailored software solutions and consulting services

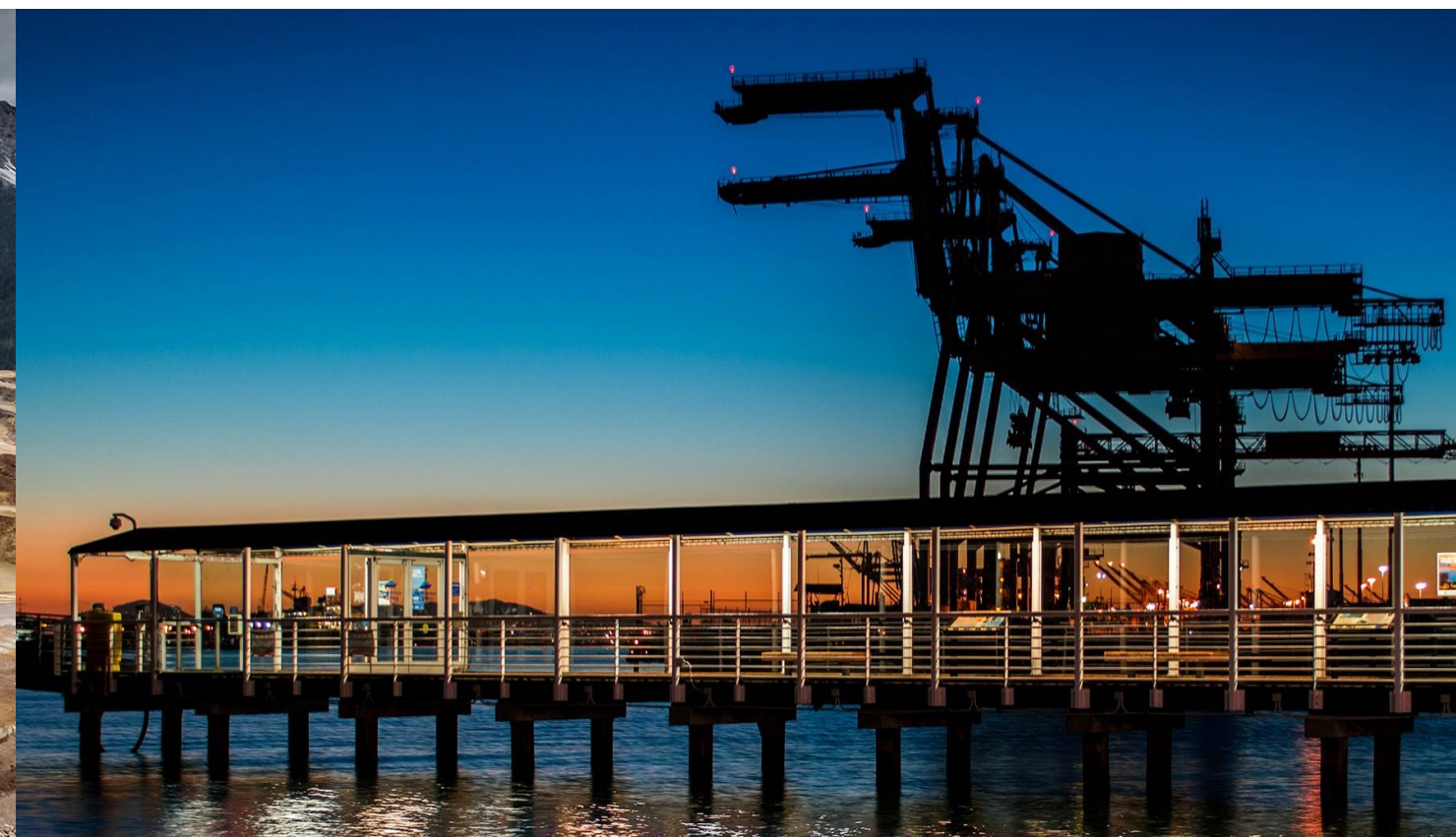
Provide an integrated approach using in-house solutions and a suite of world leading licensed technology

TARGETING ESSENTIAL INDUSTRIES

- Electricity Infrastructure
- Gas infrastructure
- Water infrastructure
- Renewable Energy Sector
- Railway Infrastructure both Federal and State
- Mining and Energy
- Civil Roads and Construction
- Forestation and Land Management

WHY WILL K2FLY SUCCEED?

- We have the leadership, people, products and strategic alliances to become a “digital enabling partner” for Tier 1 asset-intensive clients
- We are building a high margin business with a focus on growth in revenue from our own software solutions and aligning K2fly with large software providers
- We operate in multiple asset intensive sectors that continue to develop and face new challenges solved only with technology adoption
- Expanding footprint into eastern Australia and generating software sales around the world



K2FLY'S BUSINESS SEGMENTS

REVENUE FROM THREE DISTINCT YET COMPLEMENTARY SEGMENTS

K2fly Owned Software

Selling our Infoscope software solution through SaaS model

Infoscope is an enterprise land management solution which addresses Environmental, Social and Governance obligations

Partnership with SAP is leading to increased sales opportunities

Customers include



3rd Party Software

Re-selling and managing world leading software solutions

Examples include partnerships with Capita (UK) for their Mobile Field Working software, and Kony (USA) for their Mobile Application Development Platform which have helped us gain Tier 1 clients

Customers include



Consulting

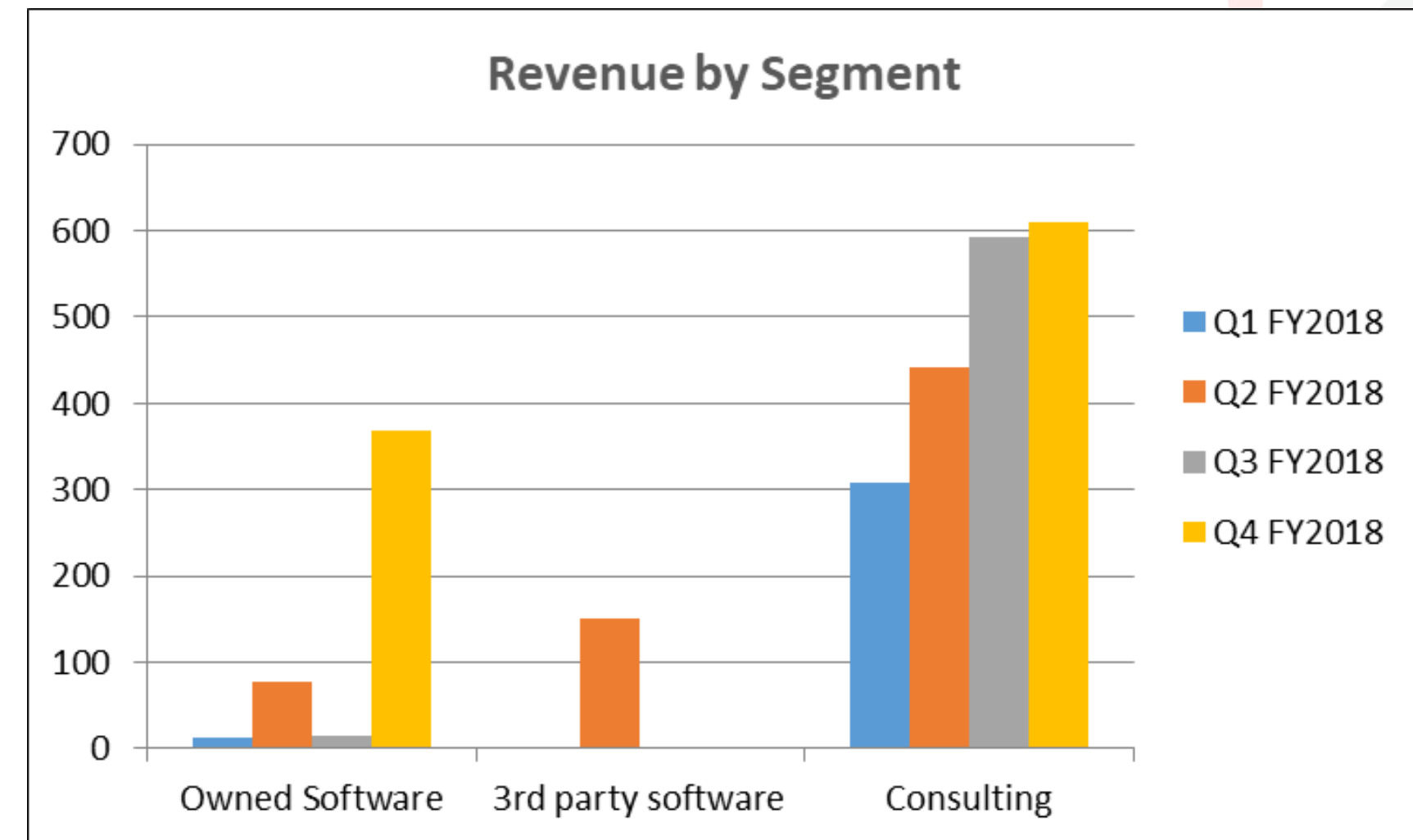
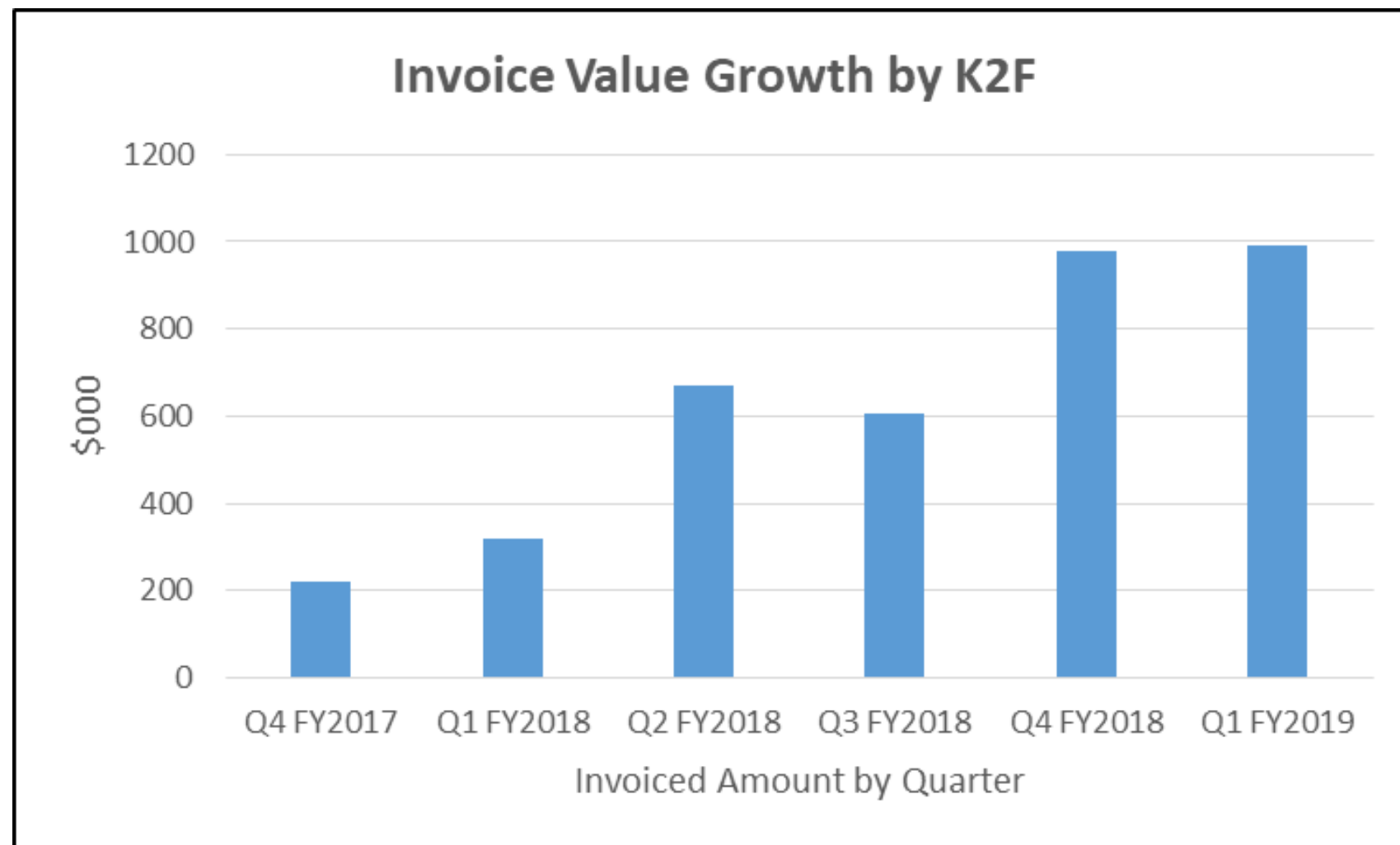
Providing consulting services to clients with a focus on best practice asset management and digital transformation

Implementation of software solutions sold by K2Fly

Customers include



K2FLY'S BUSINESS REVENUE



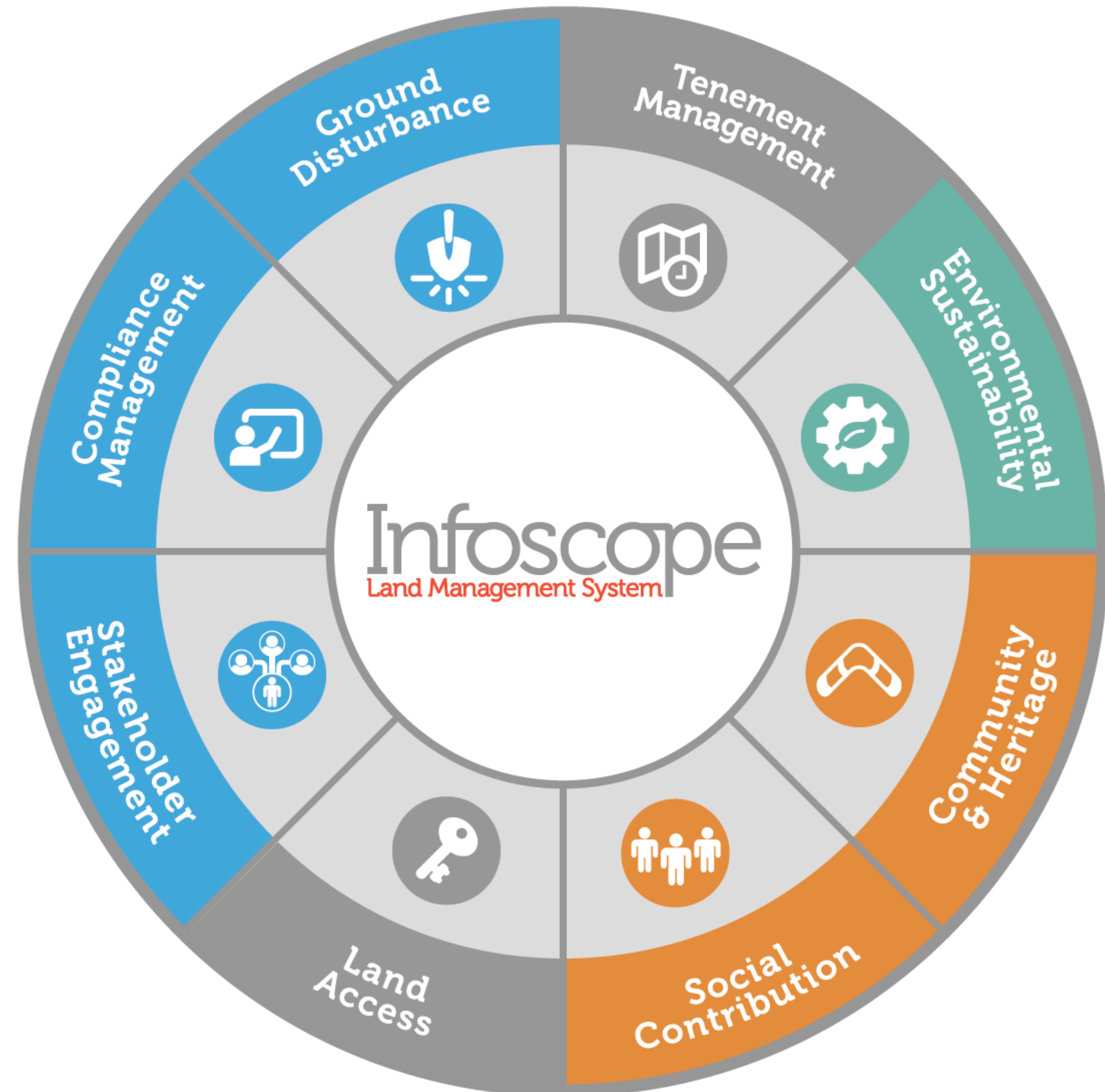
K2FLY's OBJECTIVE IS TO GROW THE PROPORTION OF REVENUES FROM SaaS SALES

INTRODUCING INFOSCOPE

The Infoscope Land Management System is an innovative solution that helps small and large companies to maintain their 'social license' to operate on land.

It provides a single, spatially integrated solution to manage information relating to land access and compliance across multiple industries.

It delivers effective stakeholder, tenement, cultural heritage, native title & environmental management along with a full life-cycle ground disturbance process.



WHAT DOES INFOSCOPE DO?

Infoscope is a new way for resource companies to deliver a holistic approach to land management. It eliminates data silos and allows executives to make timely and informed decisions about their key land assets.

In doing this, Infoscope allows resource companies to gain and maintain their social licence to operate improve performance and sustainability reporting in an environment of increased regulatory and social scrutiny.

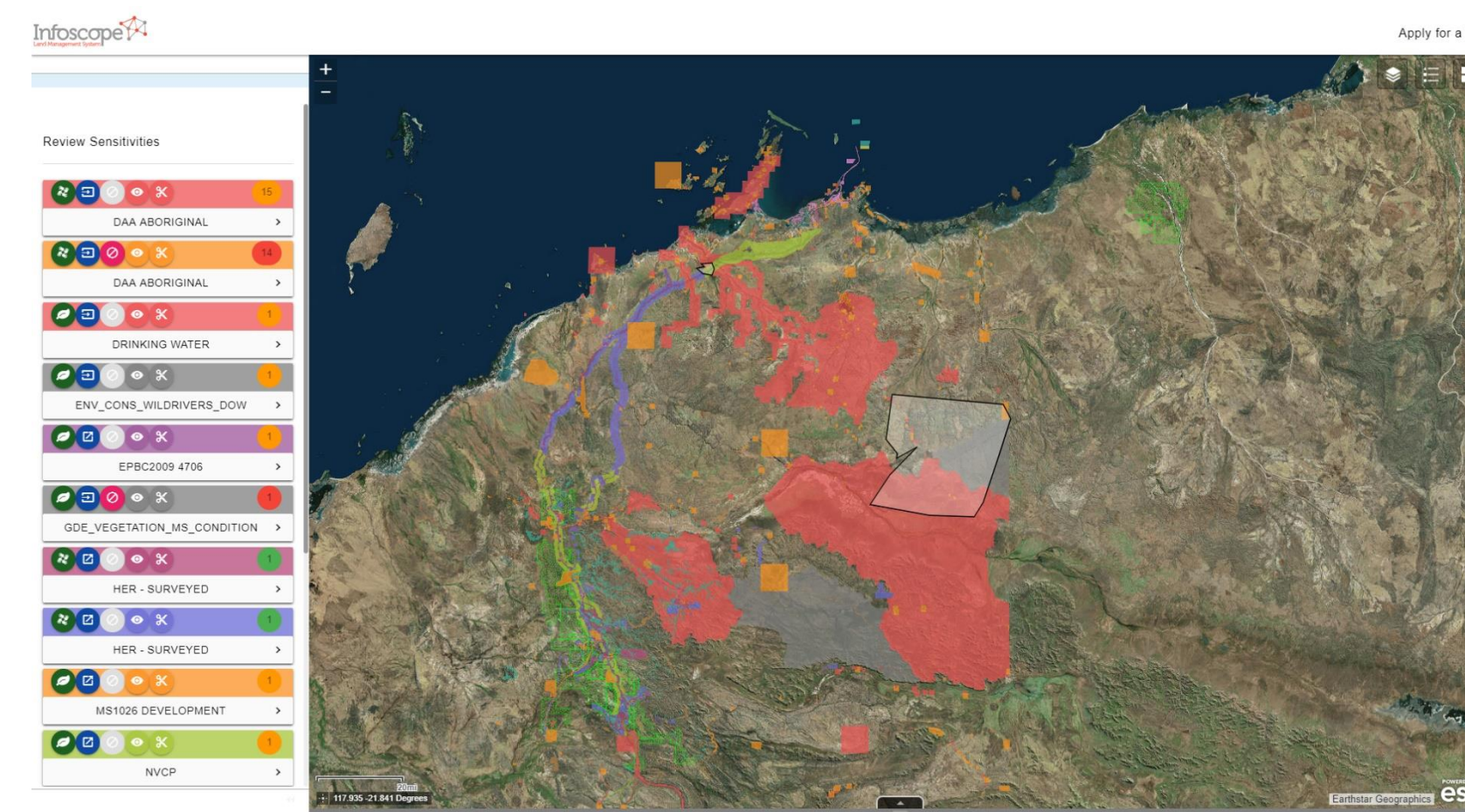
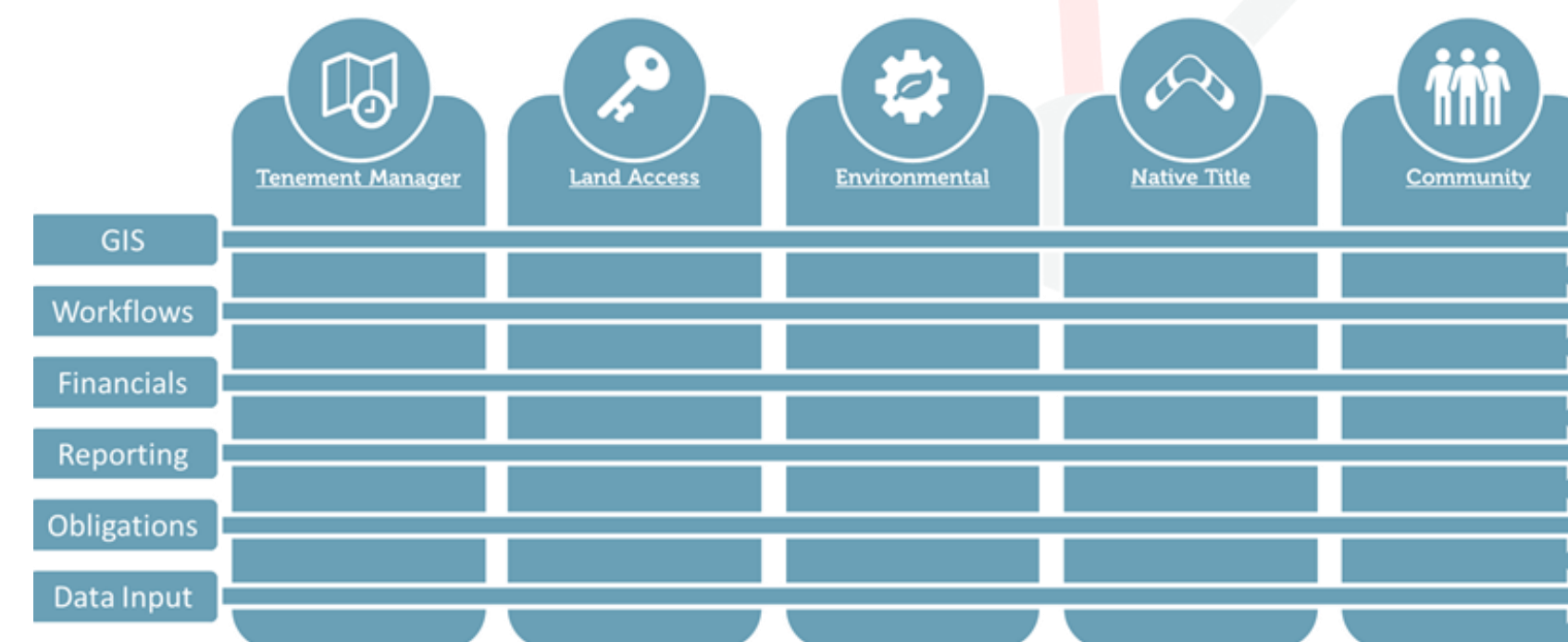
Infoscope:

- Provides new efficiencies by Integrating spatial intelligence with operational and financial data
- Eliminates existing operational silos to deliver single source of truth
- Process workflows ensure compliance in all areas across tenements, land access, environment, native title and community

Ensuring that mining and resource companies don't lose their access to valuable land assets because they didn't fulfil their regulatory or social obligations

Infoscope
Land Management System

Data Collaboration Across Organisations

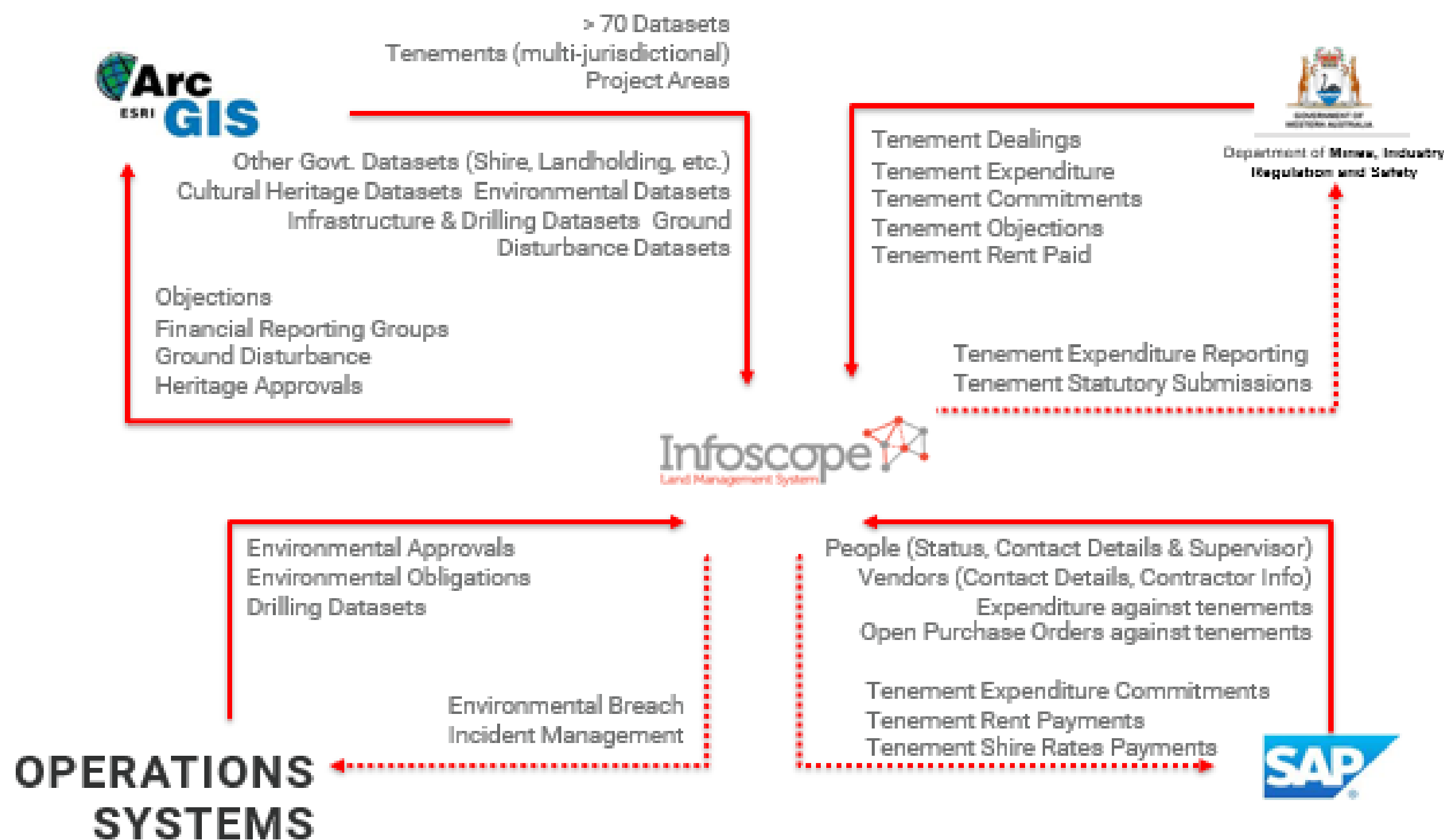


CASE STUDY



Tenement management, land access, environmental and cultural information and management needs to be managed at an enterprise level - this is why Infoscope exists

- Client since 2012, validates product
- Nearly 300 everyday users
- Spans 8 business units and 9 project areas
- Replaced 8 discrete systems
- Significant cost savings, substantial staff reductions
- FMG investing \$400K in 2018/2019 to expand use of system within wider FMG group



STRATEGIC PARTNERSHIP WITH SAP



SAP is the globally dominant player in K2F's target market, with.....

- 400,000 customers in 200 countries
 - 87% of Forbes Global 2000
 - Nearly 800 mining clients operating in 70 countries
 - 45 of the world's top 50 miners use SAP solutions
 - SAP is mandating clients to move to HANA by 2021
- SAP is on a journey to dominate Enterprise Resource Planning in the Cloud and it requires specialist partners with innovative solutions to help achieve this outcome.
 - SAP has entered into a relationship with K2fly because Infoscope provides functionality which is important to clients and complementary to solutions provided by SAP.
 - Infoscope provides SAP with an opportunity to increase their sales to each customer.
 - SAP want their App Centre ecosystem to be successful, similar to Salesforce, and to do this they need early adopters like K2fly to be successful in order to attract more partners.
 - SAP and K2fly are co-marketing the Infoscope solution to existing SAP clients.
 - SAP gave K2fly access to its Co-Innovation Laboratory (COIL) in Germany and provided technical resources to successfully port Infoscope to SAP's Cloud Platform on HANA. K2fly was the first Australian company to be given this access.
 - K2fly has addressed SAP's Industry Advisory Council for Mining which includes 20 of the world's largest mining companies and also allowed K2fly to speak at various SAP Sales and Marketing events.

K2FLY'S INFOSCOPE AVAILABLE ON THE SAP APP CENTER

Secure | <https://www.sapappcenter.com/apps/25474/infoscope#!overview>

SAP App Center

Featured All | SAP Analytics SAP SuccessFactors SAP Customer Experience SAP Ariba SAP S/4HANA Concur

Infoscope
Complete Tenement and Land Management
SAP S/4HANA

Overview Features Certifications Reviews Questions Resources Publisher

Secure, powerful, comprehensive land management

K2Fly's InfoScope Land Access System is an innovative solution that helps small and large companies to maintain their 'social license' to operate on land. InfoScope provides a single, spatially integrated solution to manage information relating to land access and compliance across multiple industries. It delivers effective stakeholder, tenement, cultural heritage, native title & environmental management along with a full life-cycle ground disturbance process.

[Take the Tour](#) [Watch Demo](#)

View Screenshots

Details

Developer
K2Fly Limited

Developed By
Partner

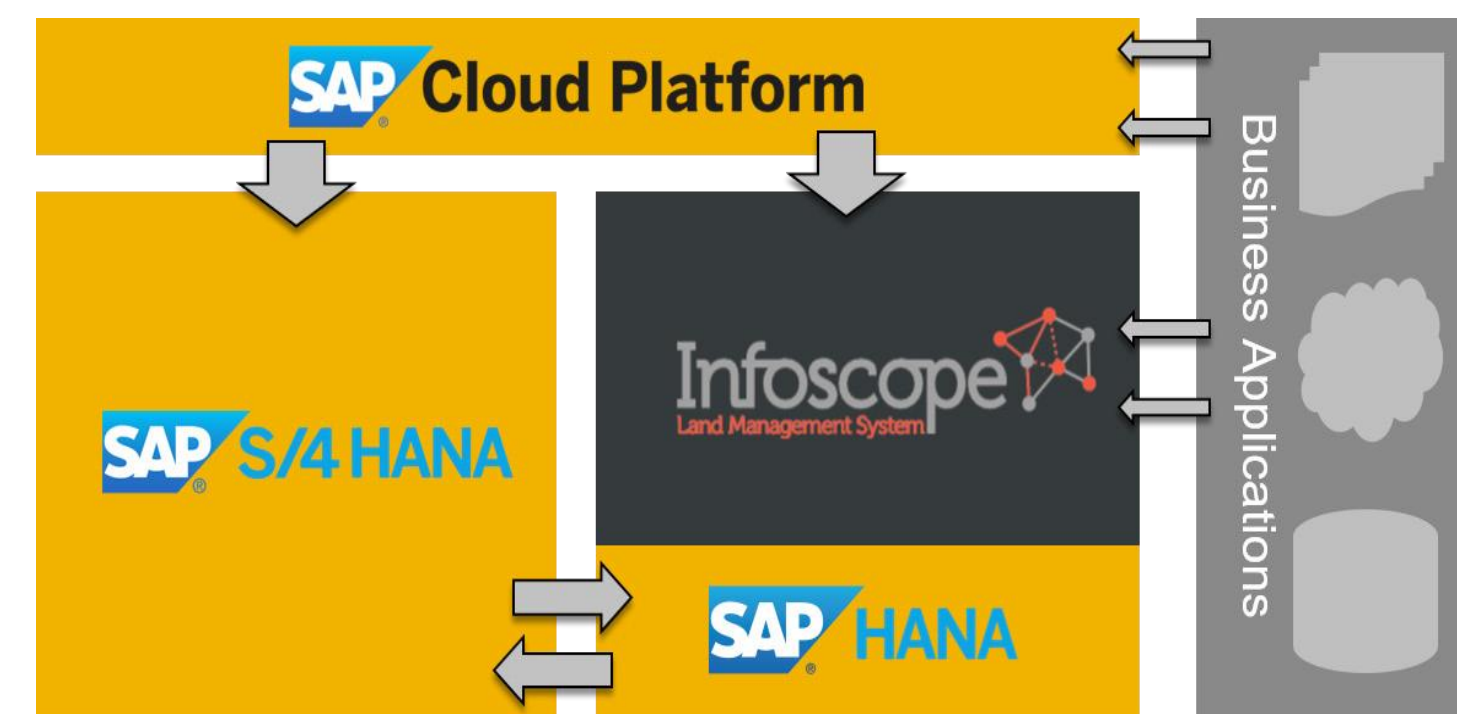
Technology
SAP Cloud Platform
SAP HANA

Use Case

K2FLY'S INFOSCOPE WITHIN THE SAP ECOSYSTEM



- Infoscope now listed on SAP App Centre as the only tenement and land management solution
- SAP Sales Executives can now earn commissions by directly selling Infoscope to their clients
- Utilises a flexible and individualised best practice approach to each SAP customer

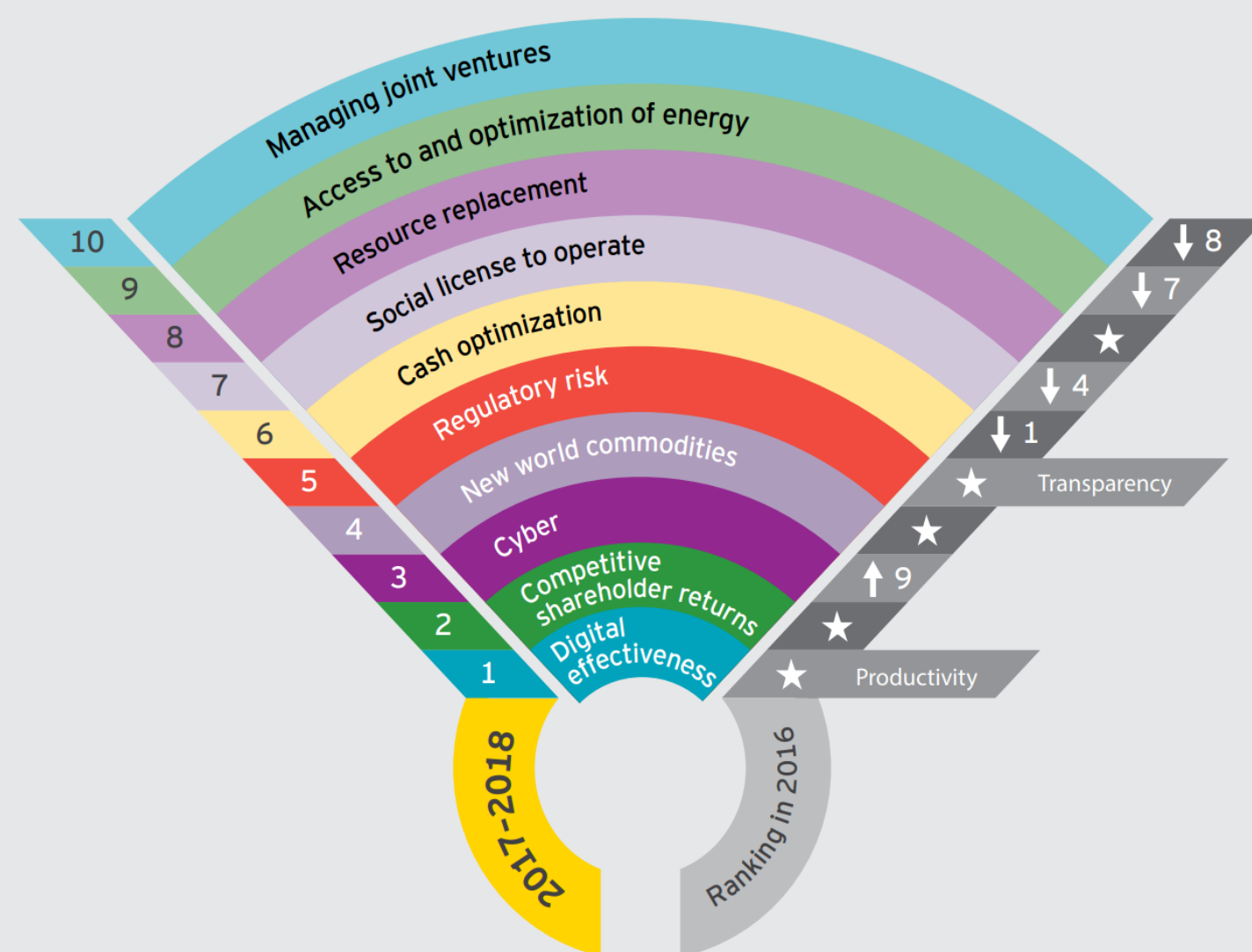


INFOSCOPE—DELIVERING ESG

ENVIRONMENTAL | SOCIAL | GOVERNANCE

Risk radar for mining and metals

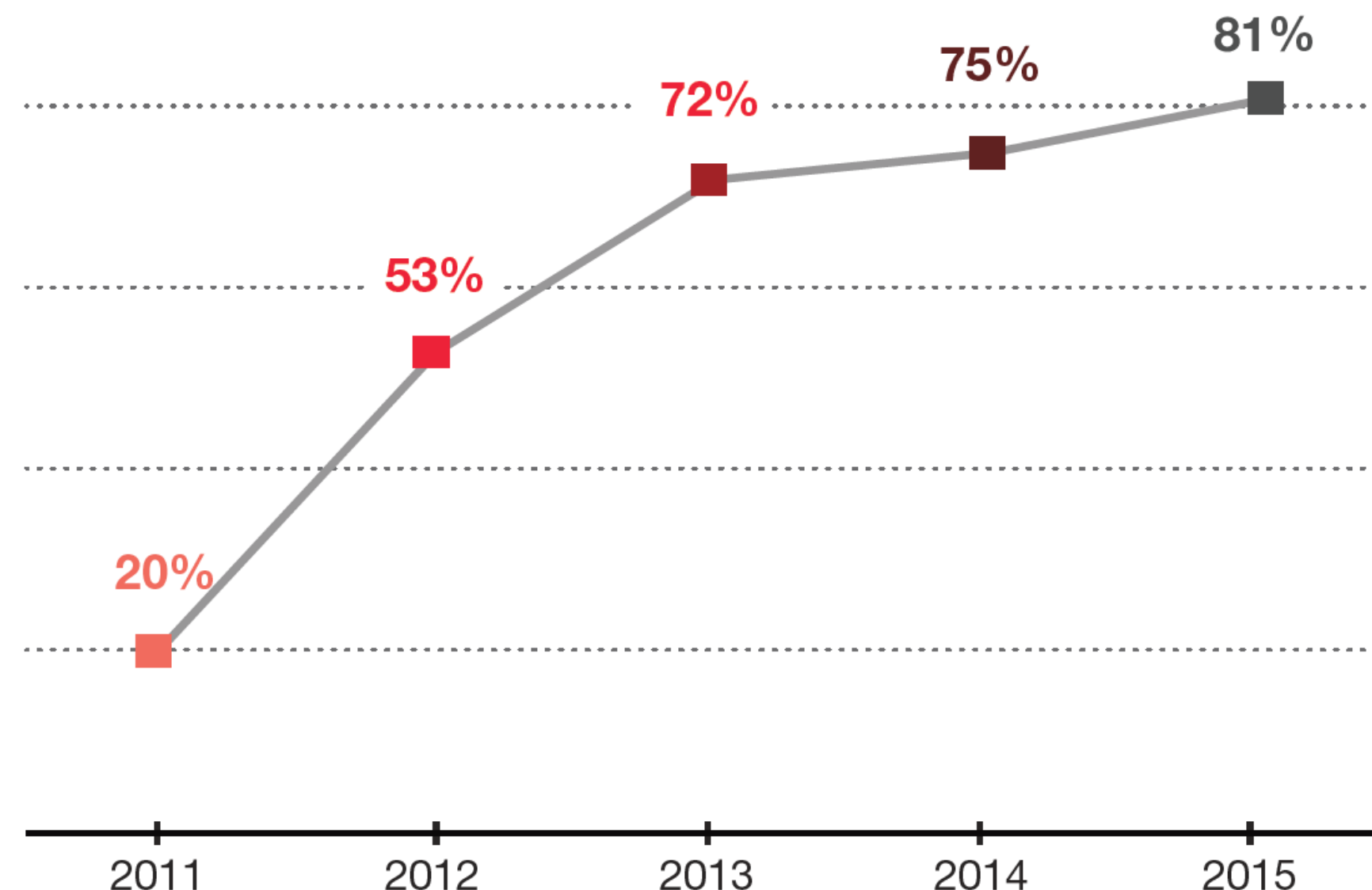
Top 10 business risks



↑ Up from 2016 ↓ Down from 2016 — Same as 2016 ★ New to the radar

Source: EY - Top 10 business risks facing mining and metals 2017-18

Growth in ESG reporting in the S&P 500



Source: Governance & Accountability Institute, Inc. 2016 Research;
<http://www.ga-institute.com/research-reports/research-reports-list.html>.

K2FLY SALES PIPELINE

CURRENT PIPELINE

- Infoscope is well placed in many sales opportunities with global Tier 1 companies where it is working with SAP Sales Executives.
- Infoscope and its deployment in The Keeping Place project is supported by Rio, BHP and FMG. New communities coming on board in 2018/2019 and beyond. Producing a backlog of work.
- Infoscope presentations to SAP specialist groups including sales teams and also SAP customers. Sales presentations to resource companies in Canada, Russia, Brazil, South Africa and Indonesia.
- Infoscope modification projects underway in FMG and APIM. Amounts to >\$400k in FYE June 2019.
- Western Power continues to provide consultancy opportunities with good daily rates and several key contract extensions. Other consultancy opportunities in Arc Infrastructure, Metro Trains Melbourne, Snowy Hydro, Public Transport Authority.
- Pipeline of Mobility opportunities continues to grow with major names such as: FMG, Rio, Western Power, Horizon Power, ARTC and Sydney Trains.

INVESTMENT OUTLOOK

FUTURE OPPORTUNITIES

Owned Software

- Identify further M&A opportunities suitable for SAP App Centre
- Continue to build out functionality of Infoscope
- Expand availability through other partners such as Esri

3rd Party Software

- Identify innovative software solutions
- Complementary to existing K2fly offerings
- Expand sales through existing customers

Consulting

- Expand implementation services around software offerings
- Geographical expansion to Australian east coast and Asia
- Overseas opportunities with HANA technologies.

INVESTMENT SUMMARY

- A combination of company owned and third party solutions
- Successful partnership with SAP has seen porting of Infoscope land management solution to SAP's Cloud-based HANA environment
- Infoscope now available on the SAP APP Centre
- K2F recently moved up to SAP Silver level partnership and have also entered the SAP/Esri ecosystem
- Very experienced management team and Board who have built similar businesses in the past
- Capability in the Internet of Things (IoT) space which is the "hot" growth area in asset management
- Major distribution partnerships in place with some of the world's biggest and best performing tech companies including; ABB, Capita, GE, Esri and Kony

A suite of existing, proven software tailored for a Tier 1 client base across the Essential Industries of Resources, Oil & Gas, Electricity, Water and Rail



K2FLY EXISTING CLIENTS

