



NetLinkz - AGM 29th November 2018

Agenda

- Financial Report
- Company operations
- Product development
- Sales and revenue strategy
- China update

CASH BURN

Current Cash Holdings \$156,064

Cash burn has stabilised with average spend of approx. \$165k per month

R&D Refund due: \$731,830 expected in 30 days

Revenue is now accrued monthly ~ approx. AUD\$15,000 per month and rising as VIN sales will increase now that the pilot program with China Telecom has been successfully completed

BALANCE SHEET

Focus on final phase of the balance sheet clean up

Reduced short term debt by \$3.7m by approval of issue of shares to repay various loans and creditors. Moved much of the remaining debt from short term to long term debt – stabilising the Company

1,375,596,994 Shares on Issue

China Telecom Catalogue Model

Total VIN Sales as at 23/11/18	15,049
WUXI	14,133
Nanjing	830
Suzhou	84
Changzhou	2

As the pilot program with China Telecom Wuxi was successfully completed in November 2018, Sales of VINs have now recommenced in Wuxi and started in three other cities in the Jiangsu Province.

A sales agreement has now been signed with China Telecom Jiangsu which allows the sale of VINs throughout the Jiangsu Province.

VIN Sales are expected to be 20,000 by end of December

- Staffing
 - Chief Technology Officer to be appointed in January 2019
 - New Director to Appointed to the Board in February 2019
- Outsourced Software Development
 - Systemic to continue developing core technology in Australia
 - Netlinkz to co-establish R&D and Technical Support centre in China with the regional reseller, China Telecom and the government
 - Feature Software Development to be done in China
 - Phase 1 of product development completed
- Royalty based business model to be implemented by Board of Directors
- Appointment of Corporate Advisor

- The current Shareholder Register contains only one institutional investor. The balance of the shares of the Company are in the hands of retail investors. This over-reliance on the retail market for capital raising and on-market activity can leave the Company exposed to the whims of a small group of individuals and their daily view of the equity markets.
- A non-deal specific Roadshow and Investor will commence with an update to Hong Kong institutional investors in early December with the view to transitioning the shareholder register to a mix of strategic long-term investors/fund managers.
- A consolidation of the outstanding shares (1.5B on a fully dilutable basis) is required to allow the Company to source new capital from strategic long-term investors/fund managers.

- China Pilot feedback and feature requests necessitated the redevelopment of the User Interface and Core to:
 - Enhance the client software user experience and simplify installation
 - Increase Core stability, performance and scalability
 - Pave the way for new client features
- This phase is now complete, but has delayed the commencement of the sales process by several months
- We are preparing to move onto Phase 2 development activities that will focus on:
 - Scalability expansion
 - Delivery of new client features
 - Mobility and IoT
- Delay in product development will be compensated by accelerated sales in Jiangsu as China Telecom rollout the software simultaneously in all 13 cities.

- Reseller agreements are signed in a number of cities in the Jiangsu Province including China Telecom Jiangsu, China Telecom Nanjing, China Telecom Suzhou and China Telecom Changzhou. These agreements are based on the China Telecom Wuxi catalogue model.
- The Company is marketing the software as a cloud based invisible mesh network connecting devices securely (via encryption). In effect the VSP will be a gateway for the creation of individual networks for a person, a household, a business, a town, a city, a state etc.
- A joint venture is underway with a strategic party in Nanjing to establish a demonstration lab and exhibition centre for the VIN and the VSP in the Tianan IoT Park in Qinhuai District, Nanjing to demonstrate and promote its usage by the tenants of every Tianan cyber and business park in China.
- Netlinkz's strong relationship with Chinese Provincial Authorities, China Telecom and Chinese Business Leaders is affording the Company numerous additional opportunities to distribute the product in a VSP Cloud format to meet the demand for IoT (Internet of Things) device connectivity and security.

The company will establish Product Demonstration Labs and Incubation Centre in various cities to identify partners for IoT.

The company's initial IoT Centre of Excellence and Development will be located in the Tianan Cyber Business Park in Nanjing and consist of three sections:

Exhibition area to showcase Netlinkz products & technology and multiple scenario applications in Internet of Things (IOT) and Internet of Everything (IOE)

Research and Development section for China based software engineers and will also include a support centre for customers

An Incubation Hub within the Centre which will sublease the remainder of the space to related businesses identified as potential IoT Partners.