



31 July 2019

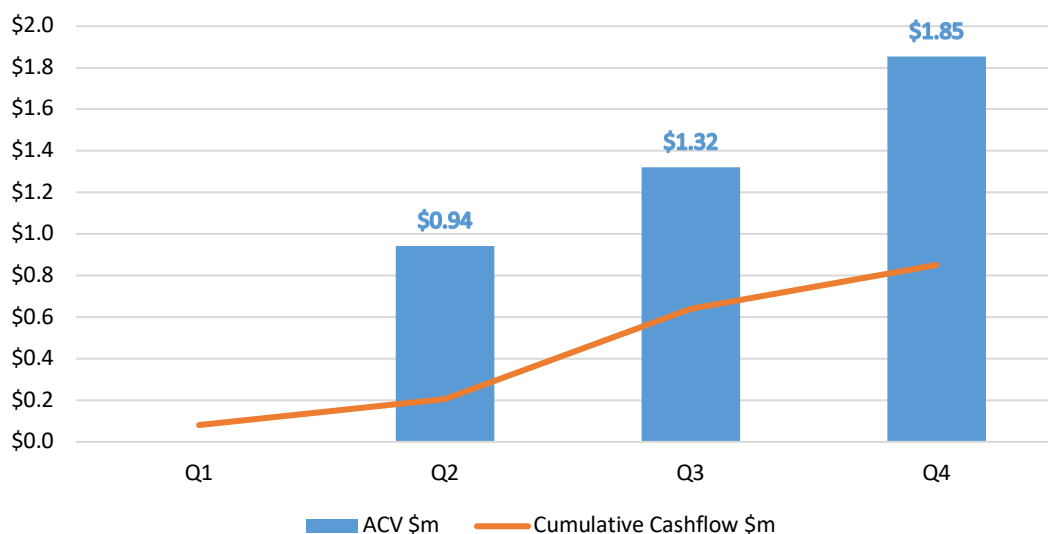
## June 2019 Quarter Activities and Cash Flow Report

Pointerra Limited (ASX:3DP) (Pointerra; the Company) is pleased to provide an overview of the June 2019 quarter activities and the associated cash flows and cash position in the Appendix 4C (attached); as well as the Company's Annual Contract Value (ACV) status.

### Highlights:

- **ACV of \$1.85 million compared to \$1.32 million in Q3 FY19**
- **Cash receipts from customers of \$0.21 million compared to \$0.43 million in Q3 FY19**
- **Analytics as a Service (AaaS) continues to attract new customers and prospects**
- **R&D Rebate for FY19 of \$0.47 million lodged**

Pointerra FY19 Cumulative Cashflow & ACV





## **ACV & Cash Receipts**

### **Annual Contract Value**

During the quarter the Company added Data as a Service (DaaS) and AaaS customers in Australia, New Zealand and the North American regions. The cumulative ACV of Pointerra's DaaS and AaaS customers grew by 40% during the quarter and stands at \$1.85 million as at 31 July 2019 compared to \$1.32 million as at 30 April 2019.

### **Cash Receipts**

During the quarter ended 30 June 2019 the Company received \$212K in customer receipts compared to the March 2019 quarter figure of \$433K. The decrease in cash receipts quarter-on-quarter is principally attributed to multi-month prepayments received from customers in the March 2019 quarter.

The Company notes that quarter-on-quarter cash receipts may continue to be somewhat variable over the next few quarters as a number of Pointerra's larger customers prefer to pay in advance for periods ranging from 3 months to 12 and even 24 months.

This variability in quarterly cash receipts is expected to smooth out in time as ACV continues to grow and the size and diversity of Pointerra's portfolio of DaaS and AaaS customers, including their preferred payment terms, continues to expand.

### **Cash Flows**

Cash outflows for the quarter were in line with management expectations and the cash balance at 30 June 2019 amounted to \$0.947 million. The Company has lodged an R&D expenditure refund claim of \$0.47 million in respect of the FY19 year and this is expected to be received in August 2019. Please refer to the attached Appendix 4C for further details on cash flows for the quarter.

## **Customer Growth**

### **PrecisionHawk**

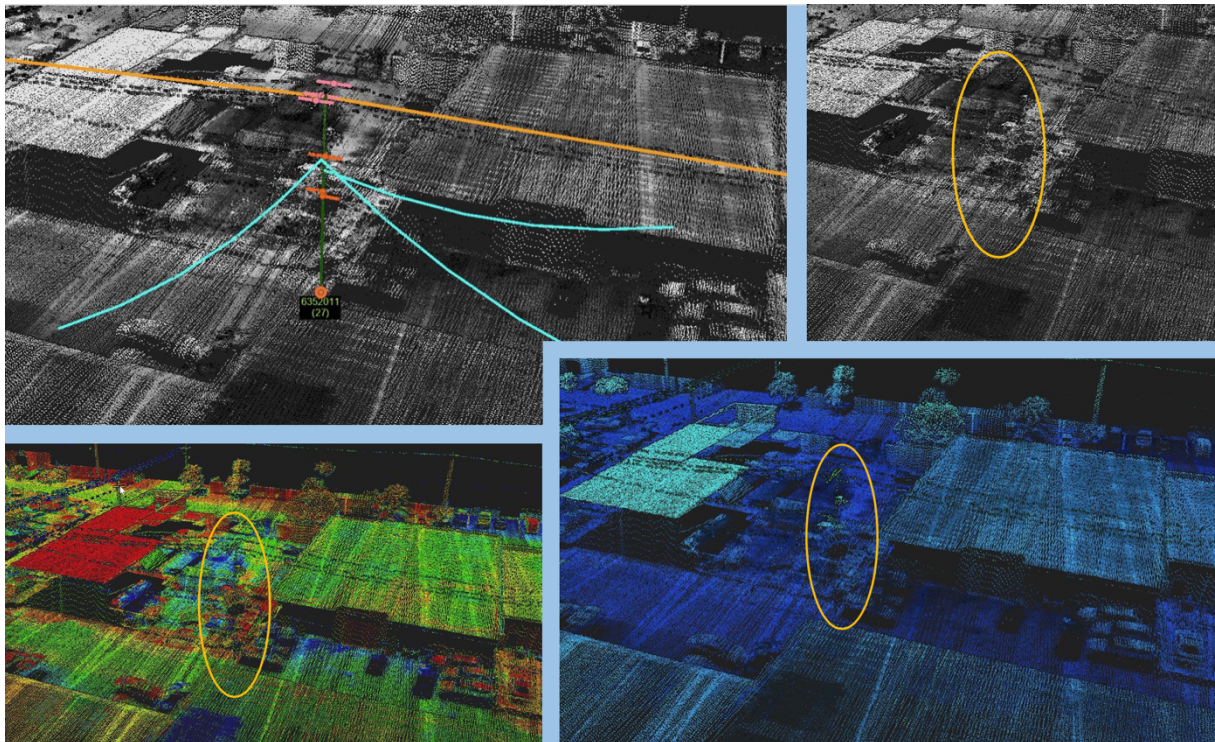
During the quarter Pointerra continued to work with its largest US customer PrecisionHawk to solve ongoing 3D data management and data analytics problems that impact PrecisionHawk's ability to service its order-book for utility asset inspection services across North America and the world.



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PrecisionHawk further expanded its use of Pointerra's cloud platform for 3D data from DaaS (Data as a Service) to include AaaS (Analytics as a Service), with the combined value of DaaS and AaaS subscriptions standing at US\$30,000 pcm in total (refer ASX announcement 5 June 2019).

Pointerra's development team continues to build bespoke machine learning algorithms to interpret 3D data captured by PrecisionHawk to provide answers at an efficiency, scale and cost advantage that was previously missing from their workflow and the outputs from Pointerra's platform are integrated within the solution being offered to their PrecisionHawk's global customer base.



*Spot the pole/wire/cross-arm/service line, etc, etc → Poles & Wires Analytics in 3D data powered by Pointerra, significantly enhancing both functionality and workflow efficiency for PrecisionHawk*

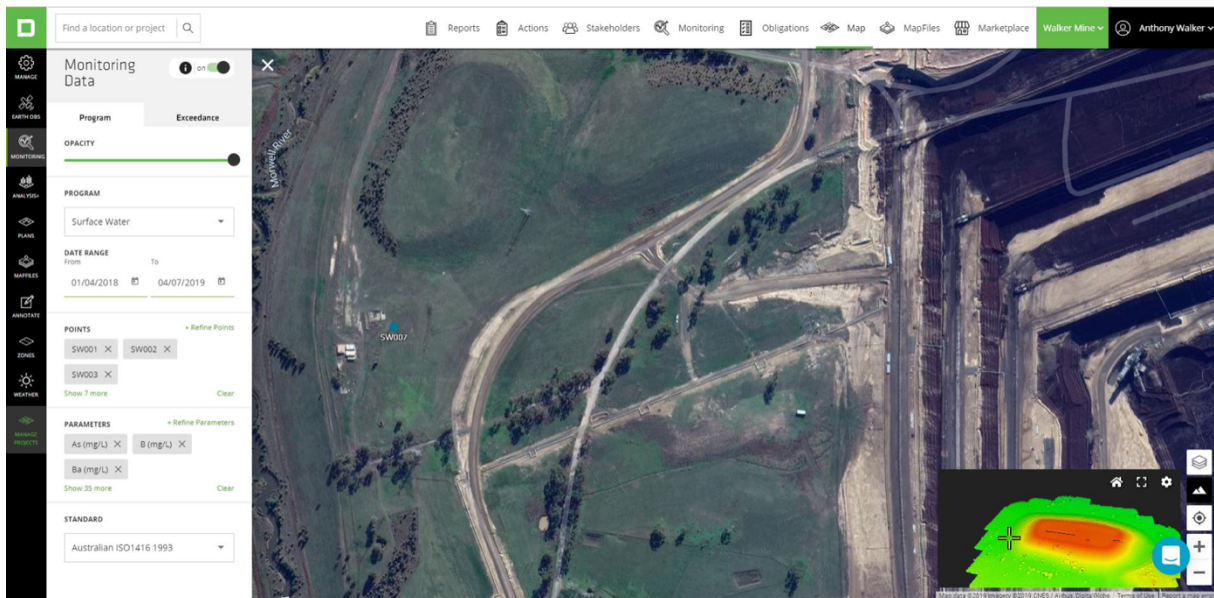
During the quarter the Company demonstrated these advanced analytics to a number of US based 3D data capture companies and utilities and is pleased to report that the combination of DaaS and AaaS has accelerated the evaluation and adoption of Pointerra's platform by these organisations.

## **Decipher**

During the quarter the Company advised that it had secured Decipher (part of Wesfarmers Group) as a DaaS and AaaS customer (refer ASX announcement



27 May 2019). Decipher is using Pointerra's platform to unlock valuable data and insight from Decipher's SaaS solution for mining rehabilitation, agricultural soil & land management, and waste landfill levy monitoring through 3D visualisation and automated condition monitoring.



*Decipher's tailing facilities monitoring assistant, augmented with Pointerra's 3D data platform*

Of particular focus for Decipher is addressing the globally recognised problems associated with tailings dams used in the mining and extractive industries sector. Pointerra is working with Decipher to build and deploy automated analytics technology that can ingest 3D imagery from repeat UAS (drone) inspection operations and identify change in condition that can be used by mining operations to pre-empt degradation and failure of the tailings dam.

## **US Capture Customers drive expansion into US Utilities & Government Agencies**

During the quarter, continued growth in the use of Pointerra's platform by the Company's US based capture customers has generated a number of requests by US Utility and Government Agency prospects for Pointerra to engineer multi-terabyte solutions to solve a range of very large 3D data asset management problems.

Pointerra has been able to demonstrate the scalability and performance of its platform, with some of these prospects requiring solution deployment amounting to many hundreds of terabytes of 3D data and associated imagery.

Engineering a cost-effective solution that delivers the required functionality and data access capability for these prospects involves deployment across the



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entire Amazon Web Services (AWS) S3 (Simple Safe Storage) cloud environment, including S3 Glacier (an extremely low-cost cloud storage service for data archiving and long-term backup storage) as well as faster access (and more costly) traditional S3 storage and is only possible because of Pointerra's proprietary (and patent pending) data structures combined with our cloud deployment methodology.

## **Domestic Customer Growth**

During the quarter the Company's existing domestic customers continued to grow their DaaS platform usage, which in turn has driven increases in monthly subscriptions. This theme reinforces both the stickiness of Pointerra's paying customer base as well as its propensity to grow over time as more data and users are added by each customer.

The adoption of Pointerra's cloud platform for 3D data by these domestic customers also extended to white-label integration into a diverse range of digital asset management platforms being used by Pointerra customers to deliver services and solutions to their end-user customers.

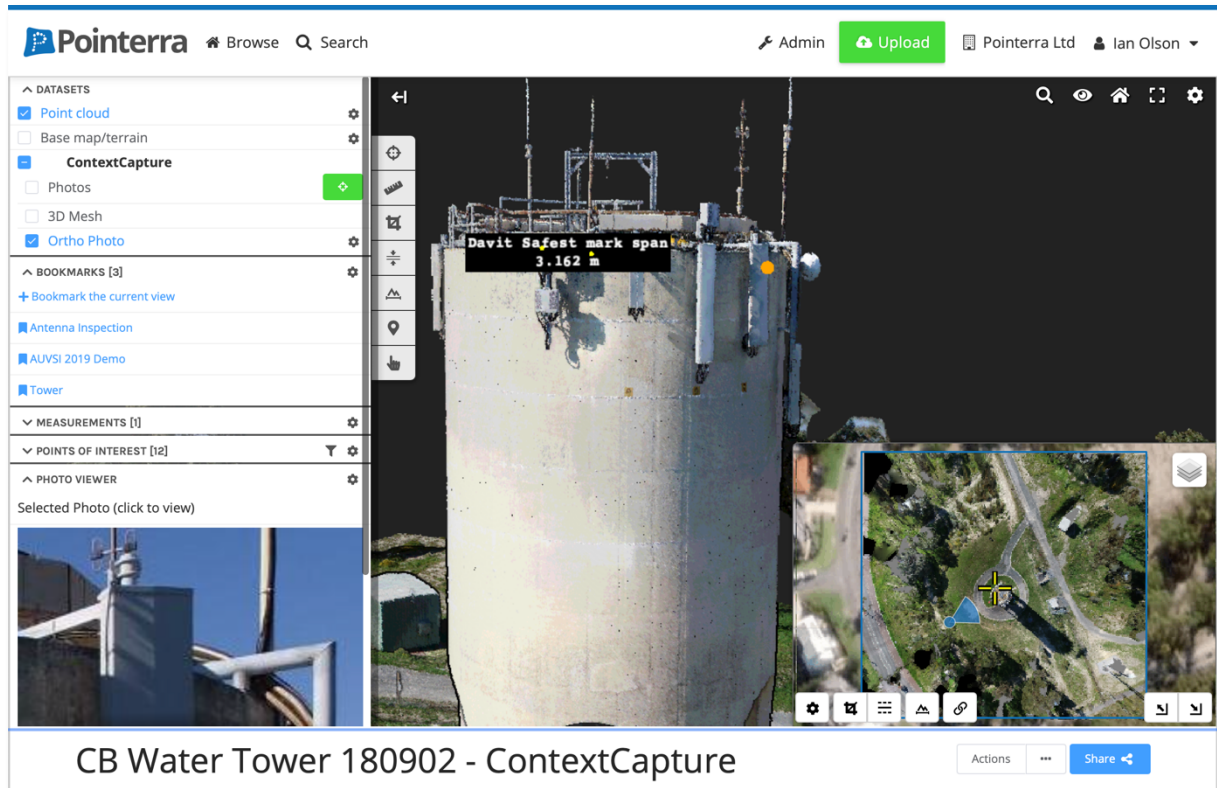
Pointerra's platform is now being used to solve a diverse range of day to day, real world digital asset management problems associated with the need to store, manage, visualise, analyse & share 3D data at scale, including:

- Instant and on-demand delivery of 3D data and derived mapping/modelling products to end-user customers;
- Remote visual inspection of geographically dispersed facilities (retail premises, office buildings, plant & process infrastructure) to instantly answer questions without costly and time-consuming site visits;
- Supporting the analysis of 5G infrastructure deployment by telecoms utilities by building 3D data queries to identify line-of-sight locations for antennae placement;
- Analysing aerial 3D data to detect high-risk vegetation encroachment on electricity transmission and distribution powerlines;
- Analysing temporal (multi-period) 3D data to support high-risk mining operations (tailings dams, remediation, stockpiles);
- Analysing mobile 3D data to identify and extract features from road, rail, pipeline and related linear infrastructure assets; and
- Repurposing and reimagining possible uses for costly and valuable existing 3D data by connecting the owners of data with potential customers in a 3D data marketplace model.



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Photogrammetry dataset captured by UAV for inspection and monitoring purposes



### **3D Data Marketplace**

Pointerra's business model involves three core pillars:

- Data as a Service (DaaS);
- Analytics as a Service (AaaS); and
- Pointerra's 3D Data Marketplace.

The Company has brokered a limited number of discrete sales of 3D data between customers hosting their data and imagery on Pointerra's platform and prospects that have approached Pointerra seeking access to 3<sup>rd</sup> party owned datasets.

During the quarter the Company commenced negotiations with one of North America's largest 3D data and imagery providers to access and repurpose their vast library of 3D data and imagery for sale to customers and prospects in the infrastructure and utilities sectors under a revenue share model.

Leveraging Pointerra's proprietary data structures, the Company has been able to demonstrate that data captured for a specific purpose can be interpreted



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and analysed to offer value and insight to different customers and sectors, allowing the owners of 3D data and imagery to “capture once, sell often” using Pointerra’s platform.

As the Company’s library of customer-owned 3D data and imagery continues to expand, Pointerra intends to grow the 3D Data Marketplace to become the go-to destination for on-demand procurement of 3D data and imagery.

## Solution Development and R&D

### Solution Development

**Poles and Wire Analytics.** Work has continued on the development of analytics to automatically determine the locations of poles, wires, and the subsequent network topology from 3D point cloud data to support power transmission and distribution asset management applications. The latest version of these analytics is being updated to work with unclassified point clouds, removing the need for Pointerra’s customers to undertake expensive and time-consuming classification of the point cloud data as a precursor for the analytics.

**Point cloud updating.** To support the growing demand for analytics, Pointerra’s data format has been updated to allow for writing new attribute information to existing point clouds. This will create the opportunity for supporting new processing and QA workflows that require the ability to store results back to the original point cloud.

**Exporting enhancements.** Extraction and exporting of data is one of the most used features of Pointerra’s platform and has now been re-architected on the AWS platform to improve the robustness and speed of export as well as reducing the AWS transactional cost of running the service.

**Next generation streaming technology.** Pointerra’s next generation internet streaming technology has been released from R&D and is now in beta testing. This takes advantage of new web browser capabilities whereby greater processing can now be performed within the browser, allowing for smarter streaming (more caching on the client resulting in less internet traffic) and more options to undertake enhanced processing on the web browser client. The data rendering is also visually superior to the previous generations and will be rolled out to our entire customer base over the coming months as we refine the technology from beta testing feedback.



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**Measurement and annotation update.** The measurement and annotation functionality in the viewer client has been completely rewritten to provide additional features to end users, and to support API customers that are embedding the platform into digital asset management solutions.

## **Research and Development**

R&D efforts continue to focus on the following strategic areas:

1. Development of a platform to underpin the delivery of point cloud analytics to Pointerra customers (DaaS);
2. Developing catalogues of analytics (AaaS);
3. Broadening the platform to support storage, visualisation and analysis of complementary 3D data types, including imagery, CAD and vector layers; and
4. Reducing the cost of providing the service through changing the way that Pointerra's processed data is stored and streamed to client browsers and applications using the Amazon Web Services (AWS) cloud platform.

-- ENDS --





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For more information, please contact:

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**About Pointerra:** Pointerra is an Australian company focussed on the global commercialisation of its unique 3D geospatial data technology. Pointerra's technology has solved an entrenched problem in the digital asset management sector and allows very large 3D datasets to be used without the need for high performance computing. 3D data is processed and stored in the cloud for instant, on demand user access: anytime, anywhere, on any device – providing actionable 3D information to power digital asset management solutions.

Common Q&A's about Pointerra:

1. **What do we do?** We manage, analyze and monetize other people's 3D data for them.
2. **How do we make money?** People pay us to manage their data, to develop or source analytics to make sense of their data and they share revenue with us when we help them to monetize their data.
3. **Why do people need us?** 3D data is hard to manage, use, analyze and share. We have proprietary (patent protected) IP that lets us do what we do better than anyone else.
4. **Do we have competitors?** There are lots of desktop solutions for 3D data and fewer cloud solutions. Most cloud solutions focus on visualization but aren't readily analyzed - either quickly and efficiently or at mass scale. Our IP allows us to do this better than anyone else.
5. **Who are our customers?** Anyone who is engaged in capturing (surveyors, drone operators, aerial and satellite mapping) or using (AEC sector, asset owners/operators/insurers/regulators) 3D data to plan, design, construct/build, operate, maintain, insure and govern/regulate a physical asset.
6. **What sectors do our customers operate in?** Linear infrastructure (road/rail/pipeline/transmission/distribution), non-process infrastructure (civil and built-form) and process infrastructure (mining/oil&gas plant).
7. **How do people pay us?** Our Data as a Service (DaaS) solution to manage 3D data using our digital asset management platform is priced based on the amount of data (in terabytes) we are hosting. We also charge customers to build/deploy analytics against (Analytics as a Service or AaaS) their data and where we connect buyers and sellers of 3D data, we typically agree a revenue share via our 3D data marketplace.

Pointerra's vision is to create a global marketplace for 3D data, saving users time and money and creating a 3D data access revolution. Pointerra: 3D Data Solved  
<http://www.pointerra.com>

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

Pointerra Limited

**ABN**

39 078 388 155

**Quarter ended ("current quarter")**

30 June 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	212	851
1.2 Payments for		
(a) research and development	(220)	(963)
(b) product manufacturing and operating costs	(25)	(25)
(c) advertising and marketing	(2)	(25)
(d) leased assets	-	-
(e) staff costs	(203)	(842)
(f) administration and corporate costs	(248)	(958)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	19
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	487
1.8 Other (BAS)	(9)	9
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(492)</b>	<b>(1,449)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(10)	(29)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) intellectual property	(5)	(30)
(e) other non-current assets	-	(1)
<b>2.2 Proceeds from disposal of:</b>		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.3 Cash flows from loans to other entities</b>	-	-
<b>2.4 Dividends received (see note 3)</b>	-	-
<b>2.5 Other (provide details if material)</b>	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(15)</b>	<b>(60)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	1,150
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(62)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,088</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	1,455	1,386
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(492)	(1,449)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(15)	(60)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	1,088

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(1)	(18)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>947</b>	<b>947</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	897	905
5.2	Call deposits	50	550
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>947</b>	<b>1,455</b>

**6. Payments to directors of the entity and their associates**

	<b>Current quarter \$A'000</b>
6.1	(69)
6.2	-
6.3	

The transactions in item 6.1 include directors' fees and salaries paid during the quarter.

**7. Payments to related entities of the entity and their associates**

	<b>Current quarter \$A'000</b>
7.1	-
7.2	-
7.3	

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		


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9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	225
9.2 Product manufacturing and operating costs	25
9.3 Advertising and marketing	20
9.4 Leased assets	
9.5 Staff costs	200
9.6 Administration and corporate costs	200
9.7 Other (provide details if material)	
<b>9.8 Total estimated cash outflows</b>	<b>670</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: .....  
  
(Director/)

Date: .....31 July 2019.....

Print name: .....Ian Olson.....

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.