

27/03/2020

ASX Announcement (AMX)

COVID-19 Operating Update

No expected change in outlook in light of COVID-19.

Capture programs not yet impacted by government-imposed travel restrictions.

Continued focus on positive cashflow and strong balance sheet.

Swift response ensures minimal disruption to operations and well-being of staff.

Aerometrex Limited ("AMX" or the "Company") wishes to update the market in relation to the COVID-19 crisis that is affecting all Australians.

Operating environment

Aerometrex has taken appropriate measures to ensure the well-being of all staff which includes voluntary self-isolation of some staff at home offices as well as social distancing policies at production centres. The business is not expecting any material disruptions to its ability to execute project work.

The company has continued to fly new surveys and as **operator of its own fleet**, has the flexibility to base activities at regional airports rather than capital cities. Despite the closure of a number of State borders we have noted that travel restriction exemptions are being proposed by some State Governments for essential services such as aircrew and Fly-In-Fly-Out workers. Aerometrex has applied for exemptions under this policy, with best practice procedures in place to ensure safety of aircrew and the public.

COVID-19 or the current travel bans have not yet seriously impacted the Company's ability to execute capture programs or projects.

As highlighted in our 1H FY20 result, Aerometrex had made investments late last year in critical IT infrastructure and processing capability. This investment has ensured the continuity of business operations without comprising the service to our clients during this period of disruption.

FY20 outlook

Aerometrex is continuing to pursue its growth strategies, both in Australia and abroad, despite the general economic disruption caused by the COVID-19 virus.

Aerometrex has not provided FY20 guidance however the positive trends described in the Company's 1H result have continued. The business has a strong pipeline of committed work for the second half of FY20 with very few deferred or cancelled projects. The company's services are recurring in nature and produce essential data for a wide range of blue chip private and government clients. As at 26th March there is \$6.7M of secured project work on the books including \$1.5M already flown and in processing.

Aerometrex's MetroMap subscription service is continuing to attract new subscribers and adding revenues. The MetroMap web browser product is easily delivered to workers who are required to work remotely.



Balance sheet and cashflow

Aerometrex has always maintained a disciplined approach to costs and continues to remain cashflow positive from operations. This will continue to be the focus of the business in these uncertain economic times. Any major expenditure or capital investment requirements of the business in the near term will be underpinned by contracted work or revenue increases.

At the end of 1H FY20 Aerometrex had over \$22 million in cash and an undrawn \$6m debt facility. The Company's balance sheet remains very strong and supported by continued positive cashflow.

Managing Director Mark Deuter commented:

"Like many Australian businesses we are responding quickly to the dynamic situation presented by the spread of the COVID-19 virus. We have taken steps to ensure the well-being of all staff and comply with advice from State and Federal governments. Aerometrex has been in operation for 40 years and historically we have seen a steady demand for our services throughout economic cycles. We are confident that we have made the best preparations to look after our people and to ensure the ongoing success of our business."

This release is approved by the Board of Directors of Aerometrex Limited.

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ADDITIONAL INFORMATION

For further information, contact as below:

Mark Deuter – Managing Director

P: +61 8 8362 9911

E: investorrelations@aerometrex.com.au

W: <https://aerometrex.com.au/asx-announcements/>

Metromap: www.metromap.com.au

ABOUT AEROMETREX

Aerometrex Limited is a professional aerial mapping business specialising in aerial photography, photogrammetry, LiDAR, 3D modelling and aerial imagery subscription services.

The company listed on the ASX in December 2019 to raise capital to fund its growth. The company has a clear strategy to provide value to its shareholders by providing high-quality, accurate aerial imagery and LiDAR products to a growing client base.

AMX has strong Board and Executive teams, with a combined staff experience in the industry of 930 years total.