



CLOUD TV NETWORKS

(ASX: XTV) TECHNOLOGY ACQUISITION OPTION OVERVIEW



WATCHES. MOBILE. TABLETS. PCS. INTERACTIVE TVS. SET TOP BOXES.
AND THEN THE FINAL FRONTIER...3D

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DISCLAIMER





Joe Ward
Managing Director

Joe has over 26 years experience in media and technology, primarily in leadership roles as CEO including founder of xTV.

A former network engineer turn entrepreneur, Joe has founded 5 companies that specialise in Cloud/SaaS/Media with a recent emphasis on realtime technology.

Previous appointments:

- Australian consolidated Press
- Ozemail
- Market Boomer
- Workstar
- uCirrux Inc.



Mark Canepa
Executive VP of Strategy

Mark is an experienced and well known executive in the computing and communications industries.

Mark Canepa also served as:

- CEO and President of Extreme Networks Inc.
- SVP of Network Storage Products Inc.
- GM Internet and Server Products Oracle



Thomas Reynolds
COO

Tom Reynolds brings nearly 40 years experience in managerial and executive roles in hi-tech, communications, and networking industries.

Thomas has also held positions with:

- Actelis Networks
- Motorola
- HP
- Harris



Charles Thomas
Non-Executive Director

Mr Thomas holds a Bachelor of Commerce from the University of Western Australia majoring in Corporate Finance.

Mr Thomas is an Executive Director of GTT Ventures Pty Ltd, a boutique corporate advisory firm based in Perth, Western Australia.

Mr Thomas is also Chairman of ASX listed Sovereign Gold Company Limited (ASX:SOC) and a Non-Executive Director of ASX listed AVZ Minerals Ltd (ASX:AVZ) and Applabs Technologies Ltd (ASX:ALA).



Rocco Tassone
Non-Executive Director

Mr Tassone holds a Bachelor of Business with a Double Major in Finance and Economics from Edith Cowan University, together with a Post Graduate Diploma in Applied Finance and Investment from Kaplan.

Mr Tassone has extensive experience in equities markets most recently with Bell Potter Securities.



BOARD OF DIRECTORS





Michael Montgomery

From 1999 through 2013, Michael has been the President of Montgomery & Co., responsible for the investment banking practice at Montgomery & Co. He directly advised companies such as Intermix (My Space), Club Penguin, Daily Candy and Bigpoint on their sale processes.

Michael currently chairs the Audit Committee for both DreamWorks Animation (DWA) and Synacor (SYNC). Both companies are listed on NASDAQ.



Brian Clark

Brian is a highly qualified senior information technology executive with broad experience including enterprise architecture, business and IT transformation, large-scale program and project management, software engineering, infrastructure & vendor management.

Brian currently works at JP Morgan Chase and Co and holds an Advisory Board Position for Cognolytics. Brian was also CIO of Nikko Securities, Vice President of Citigroup and CTO at Moody's.



Michael Jones

Mike is an Internet executive, investor and strategic advisor. A long-time entrepreneur, Mike founded his first successful Internet company in college and since then, has founded, built and sold numerous online and mobile businesses.

Mike's most recent role was as the CEO of Myspace which saw him oversee global business strategy and operations for Myspace, Myspace Music, and Myspace Mobile.



ADVISORY BOARD



SHARES ON ISSUE	1,145M
SHARE PRICE (as of April 16, 2016)	\$0.007
MARKET CAP	\$8M
LISTED OPTIONS	587M @ STRIKE PRICE \$.02 EXPIRES JUNE 1 2018
EMPLOYEE OPTIONS ON ISSUE	200M
PERFORMANCE RIGHTS	250M

SUBSTANTIAL SHAREHOLDERS	JOE WARD	21%
	+ PERFORMANCE RIGHTS + PAID OPTION HOLDER + PAID STOCK	
	UST GLOBAL	10%
TOP 20 SHAREHOLDER'S OWNERSHIP	BAY AREA INVESTMENTS	4%
	702,897,796 SHARES	61.37%



CAPITALIZATION TABLE



AS OF APRIL 18, 2016

By the numbers	
Cloud TV Networks	190
Channels	943
Videos	9,879
Video Plays	1,268,725

**We are pioneering the HIGH VALUE,
low volume Cloud TV Networks business**



CLOUD TV NETWORKS

ACQUISITION OVERVIEW

What IF...

XTV's
CLOUDTV
Could be
3D?



EXISTING 3D TECH DOESN'T CHANGE MUCH..

STEREOPSIS

HOLOGRAMS

LENTICULAR

3D MOVIES / GLASSES

PEPPERS GHOST

ALL HAVE SIGNIFICANT LIMITATIONS

See Appendix 1.0 an overview on how prior 3D technologies function



INTRODUCING



LIVE

3D CLOUD TV



COMBINED CAPABILITY OF TELEPRESENCE TECH AND XTV

3DCLOUDTV

LIVE

PATENTED

3D, Live & Video On Demand

No Headsets or Glasses

Mobile First

Take the content with you

Make a booking

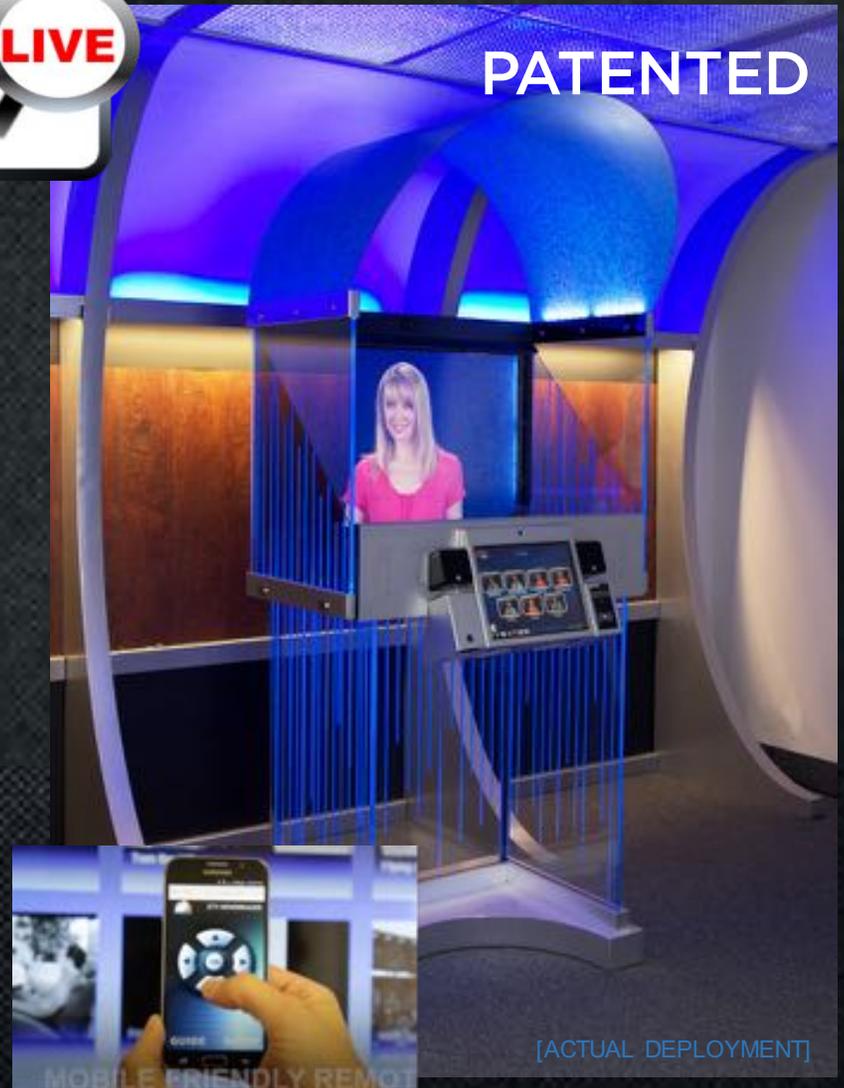
Buy the product from mobile or .com Web Site

Control the content

Click to call an agent

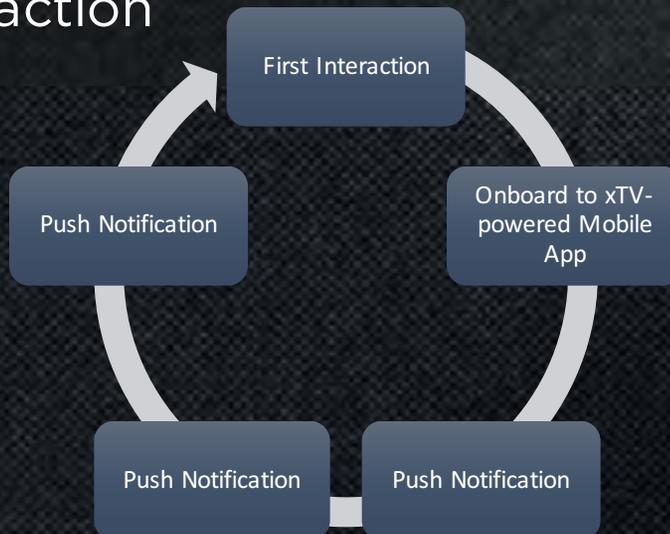
Upload content through VideoInBox

Customer service revolution



CUSTOMER SERVICE BREAKTHROUGH

- Reduce customer service costs dramatically
- Multiply the reach of your customer service staff; or use ours
- Mobile first interactivity
- Upload content via xTV Video InBox
- Create year round engagement from first interaction

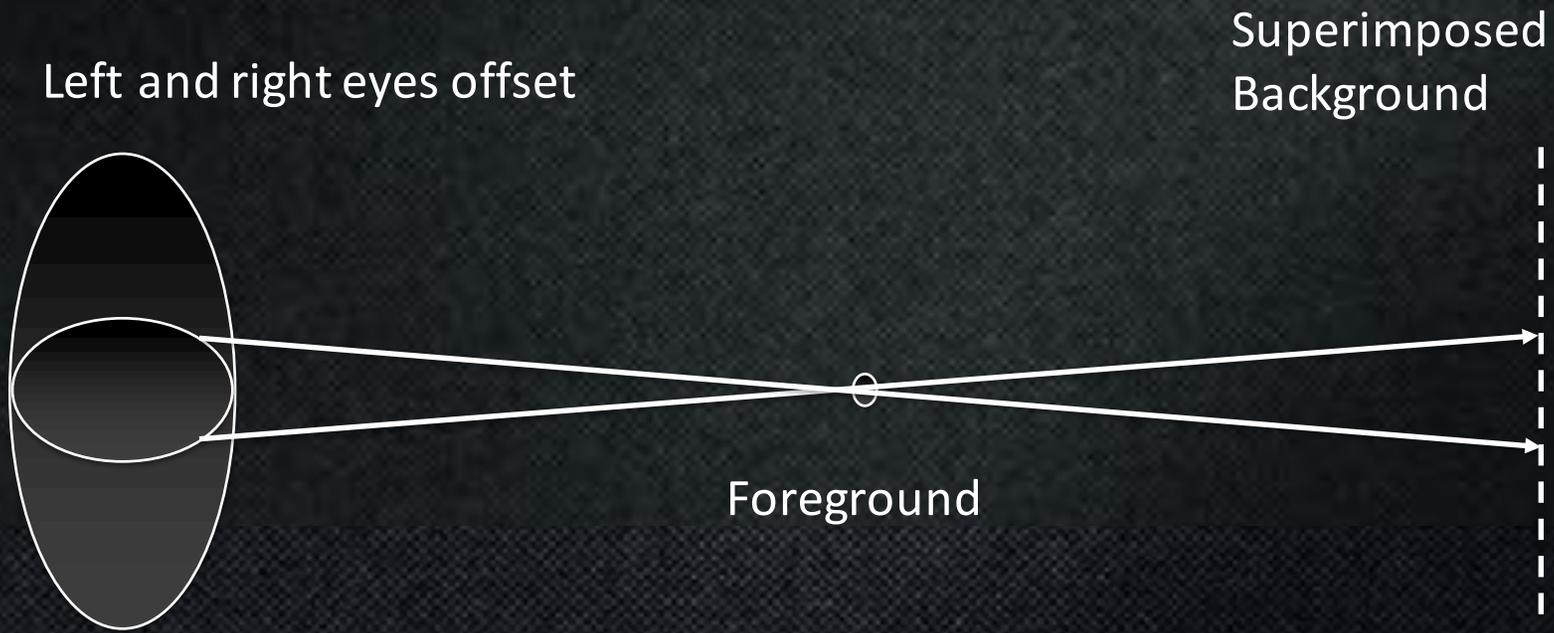


[ACTUAL DEPLOYMENT]



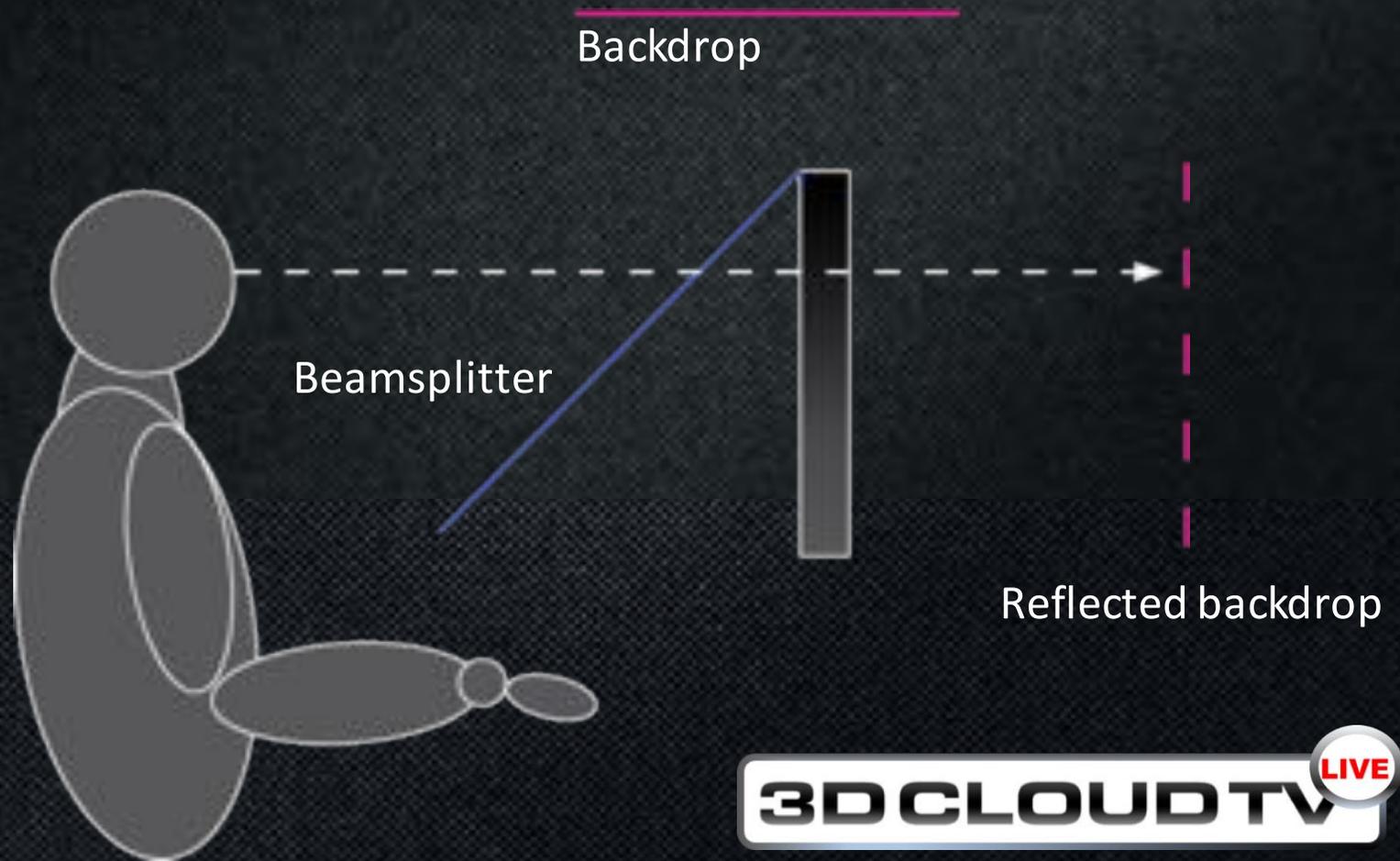
BREAKTHROUGH COMBINATION OF XTV AND 3D VIDEO TECHNOLOGY

Three dimensional display without 3D glasses



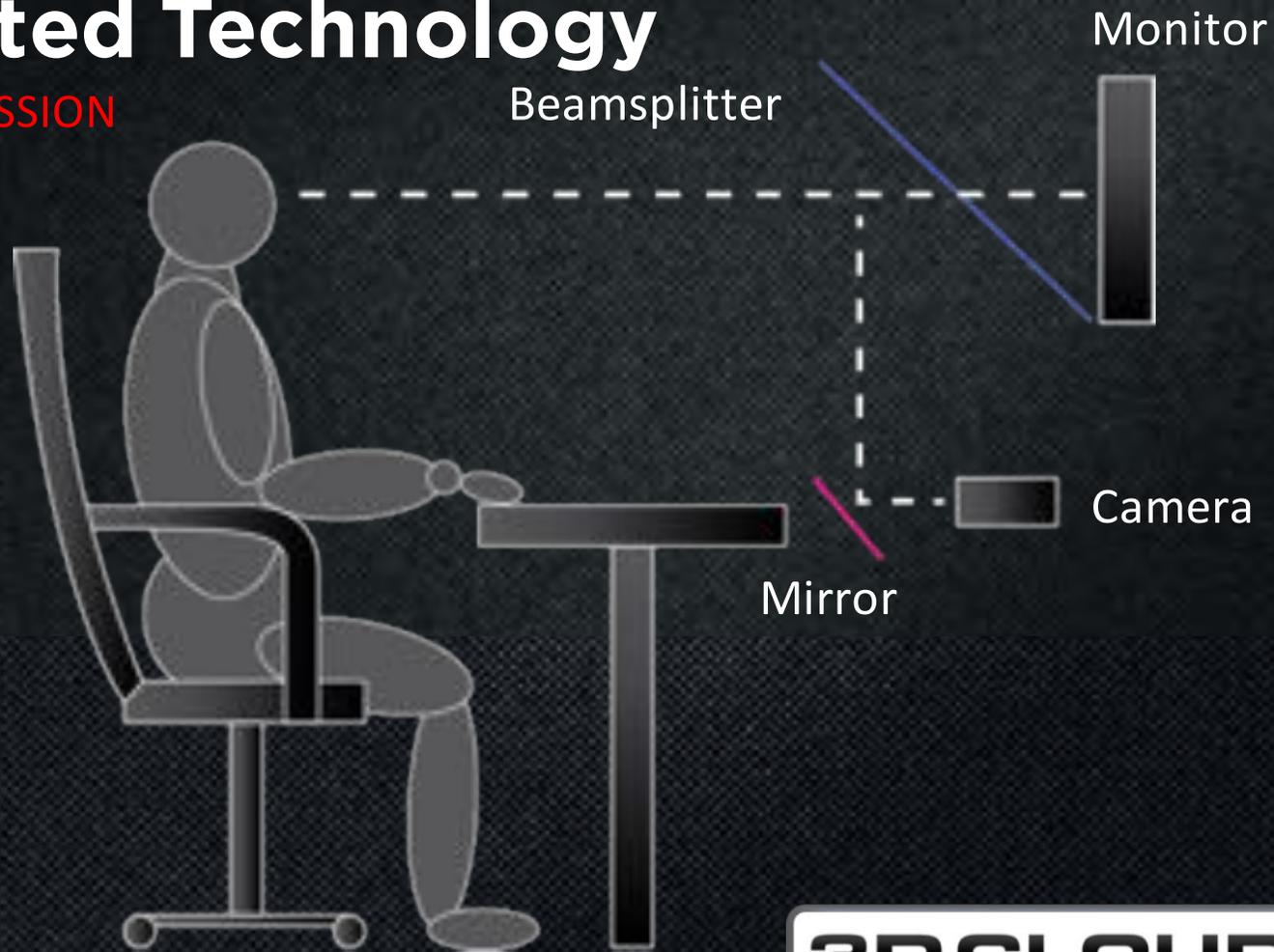
3DCLOUDTV™ WITH REFLECTED BACKDROP Patented Technology

3D VIEWING



3DCLOUDTV™ WITH REFLECTED BACKDROP Patented Technology

3D TRANSMISSION



What IF...

Customer
Service could
be cloud-
driven, LIVE
and in 3D?





3DCLOUDTV

PRESCRIBE A CHANNEL

[ACTUAL DEPLOYMENT]



HEALTHCARE



3D CLOUD TV

3D CLOUD TV

CLICK VIA
MOBILE FOR
LIVE 3D CHAT

[ACTUAL DEPLOYMENT]



RETAIL





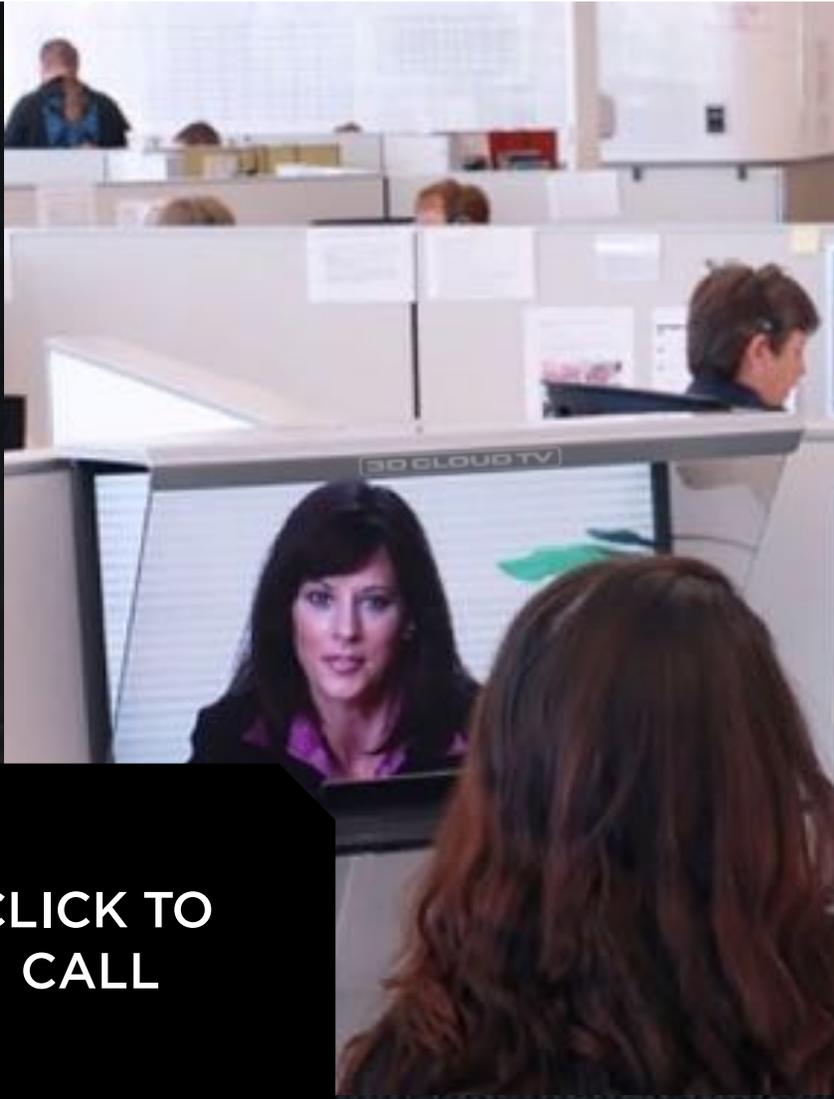
**VIDEO
COUPONS VIA
MOBILE**

[ACTUAL DEPLOYMENT]



HOSPITALITY





CLICK TO
CALL



[ACTUAL DEPLOYMENT]



CALL CENTERS



Virtual Image Recruiter



3D CLOUD TV

SHARE A .TV
CHANNEL FOR
TRAINING

[ACTUAL DEPLOYMENT]



RECRUITMENT & TRAINING



MOBILE FIRST
TAKE IT WITH
YOU



[ACTUAL DEPLOYMENT]



CORPORATE





ONE TO MANY

[ACTUAL DEPLOYMENT]



CORPORATE

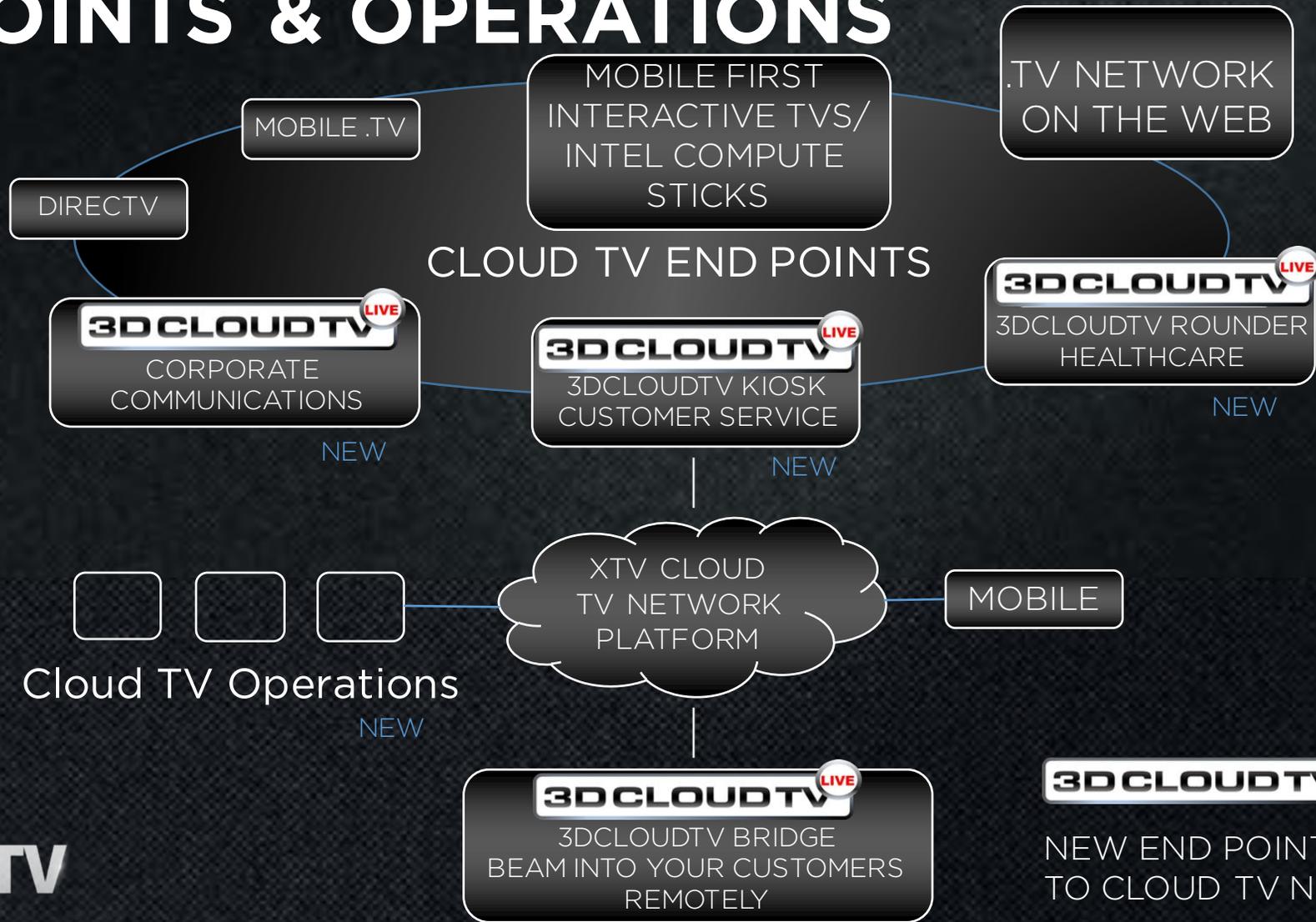




AIRLINES



NEW XTV 3DCLOUDTV END POINTS & OPERATIONS





Virtualized workforce

Sold to AT&T as an independent revenue line or combined offering

ITIL & Six Sigma program Certifications



Managed video services monitoring videos for compliance and quality

Monitoring of end points to ensure 99% uptime



24 x 7 x 365 in USA

Supports 3DCLOUDTV and xTV Now Interactive Screens

Cloud TV Operations will be used to answer live calls on behalf of customers as a value added service. Cloud TV Operations people can be trained using the xTV Cloud TV Network.

Newly established Cloud TV Operations generates monthly income by monitoring Cloud TV end points and managing video for customer networks.



CLOUD TV OPERATIONS





xTV Cloud TV Operations enables live chat

+ ~\$4K / month per 3DCLOUDTV / End Point

Reduces costs by efficiently utilizing employees across multiple end points and customers



XTV CLOUD
TV NETWORK
PLATFORM

Cloud TV Operations

TECH FEATURES

- SNMP MIB interrogation of devices
- Network probes report back to cloud based database.
- Encryption enabled data stream from network to cloud.
- Monitoring mobile PC's, displays, content, network and performance thresholds on all devices.
- Thresholds are alarmed for critical metrics
- Identify impact users, analytic data capture and predictive outcomes

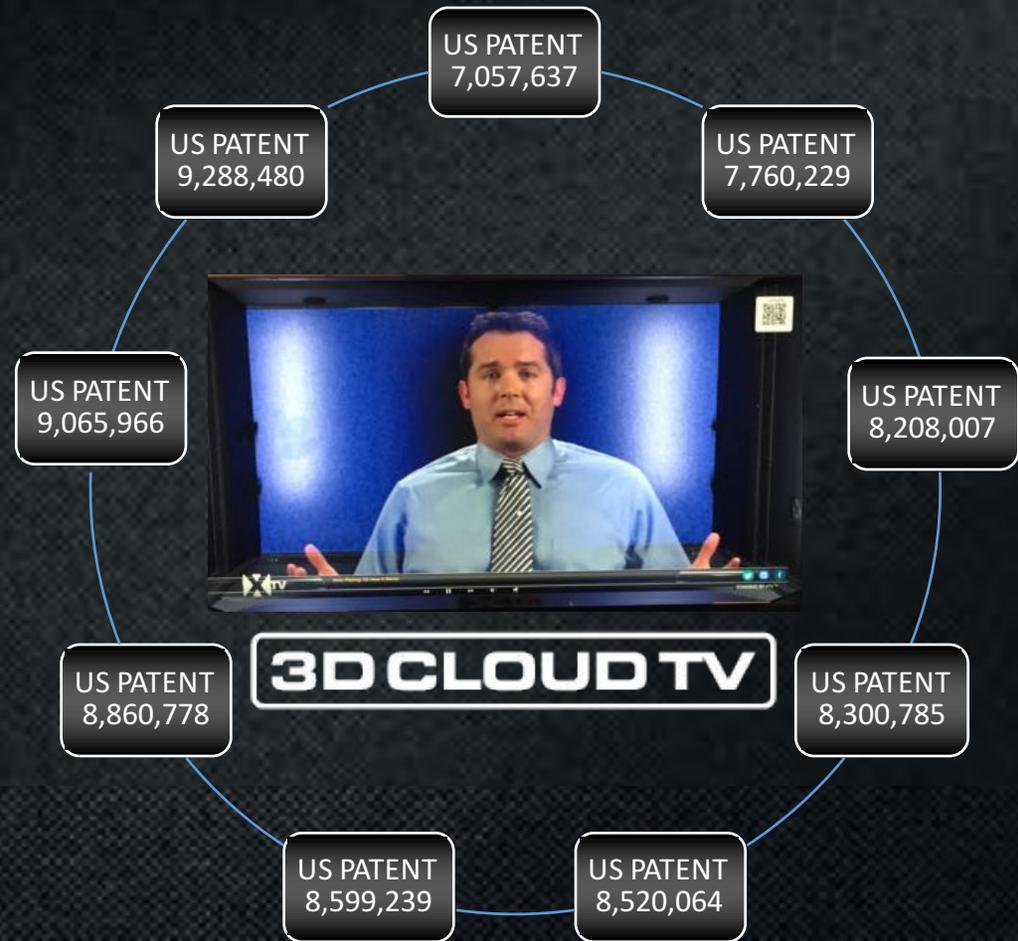


CLOUD TV OPERATIONS



9 Patents Granted in the USA 1 In Europe

xTV has \$15M in
patent litigation
insurance to
defend its
patents.



**3DCLOUDTV
PATENTED &
DEFENSIBLE**



Initial focus on high value markets (Healthcare, Retail)

SERVICE MARKETS	USA	EMEA	ASIA PAC
HEALTHCARE ¹	\$69B	+	+
RETAIL ²	\$290B	+	+
HOSPITALITY	+	+	+
RECRUITMENT	+	+	
TRAINING	+	+	
+	+	+	

Notes to the table:

1 3.4M estimated screens in the USA

2 121M retail employees in USA.

Calculated at of 10% Addressable market.

\$359B
MARKET SIZE
IN FIRST 2
VERTICALS
IN USA



MARKET SIZE



Capital efficient business model for shareholders



\$20K per unit +
\$14K / year annuity

*Future products at a lower monthly cost.
Subject to change.*

\$2K/Month Rental
\$4K/month/Virtual Employee



BUSINESS MODEL



**INCREASE
RETAIL
PROFITS BY
50%+**

Customer Service Costs - Simple Retail Store Example		Before	After
Total Number of Customer Employees		10	5
Total Cost per Employee	\$75,000	\$750,000	\$375,000
Number of 3DCLOUDTV Units			5
Annual 3DCLOUDTV Rental	\$24,000		\$120,000
xTV Cloud Operations Employees (averaged)	\$50,000		2
Annual Costs		\$750,000	\$475,000
Saving			\$275,000
Store Revenue		\$3,500,000	\$3,500,000
Product Margin	35.00%	\$1,225,000	\$1,225,000
Staffing Costs		\$750,000	\$595,000
Operations & Rent	7.50%	\$262,500	\$262,500
<u>Profit</u>		<u>\$212,500</u>	<u>\$367,500</u>
<u>% Increase in Profit to Retailer</u>			<u>58%</u>
Revenue to xTV - With Cloud TV Operations			\$220,000
Revenue to xTV - Without Cloud TV Operations			\$120,000
Direct rental example			



**RETAIL
SAVINGS**



PRODUCT

- CUSTOMER SERVICE REVOLUTION
- LIVE & VOD
- NEW GAMING & GAMBLING DEPLOYMENTS
- ESTABLISHED CLOUD TV OPERATIONS

PEOPLE

- AT&T FORMER EMPLOYEES NOW AT XTV
- NATIONAL FOOTPRINT IN USA ESTABLISHED

CHANNEL PARTNERSHIPS

- AT&T DISTRIBUTION
- CHANNEL SALES TEAM ESTABLISHED
- PCM RESELLER + MANY MORE
- TRAIN SALES PEOPLE VIA .TV NETWORKS

GO TO MARKET

- AT&T PARTNERSHIP TEAM (4 NEW)
- LEVERAGE EXISTING HEALTHCARE, RETAIL AND HOSPITALITY CUSTOMERS



USA GO TO MARKET





+ Many More



COMBINED
BRANDS





**\$150B
VIRTUAL
REALITY
MARKET**

US\$150B market size by 2020
Source: Digi-Capital



+ Consumer TVs



+ Gaming



+ Gambling



**FUTURE
MARKETS**





1,000s OF
UNITS PER
MONTH
PRODUCTION

200,000 sq. ft. manufacturing facility in Plano, Texas with 200 employees.



**HIGH VOLUME
PRODUCTION**



On Site, outsourced

OPTION OVERVIEW

Consideration

Exclusive option to acquire the technology company and customers.

Licence to operate until settlement

Ownership transfers after \$13.5M in payments

300 Million XTV shares & US\$50M in cash over 10
Milestones up to US\$200M in total revenue

Maximum of 5 years

See the XTV shareholder announcement April 19, 2016 for further detail





CLOUD TV NETWORKS

THANK YOU

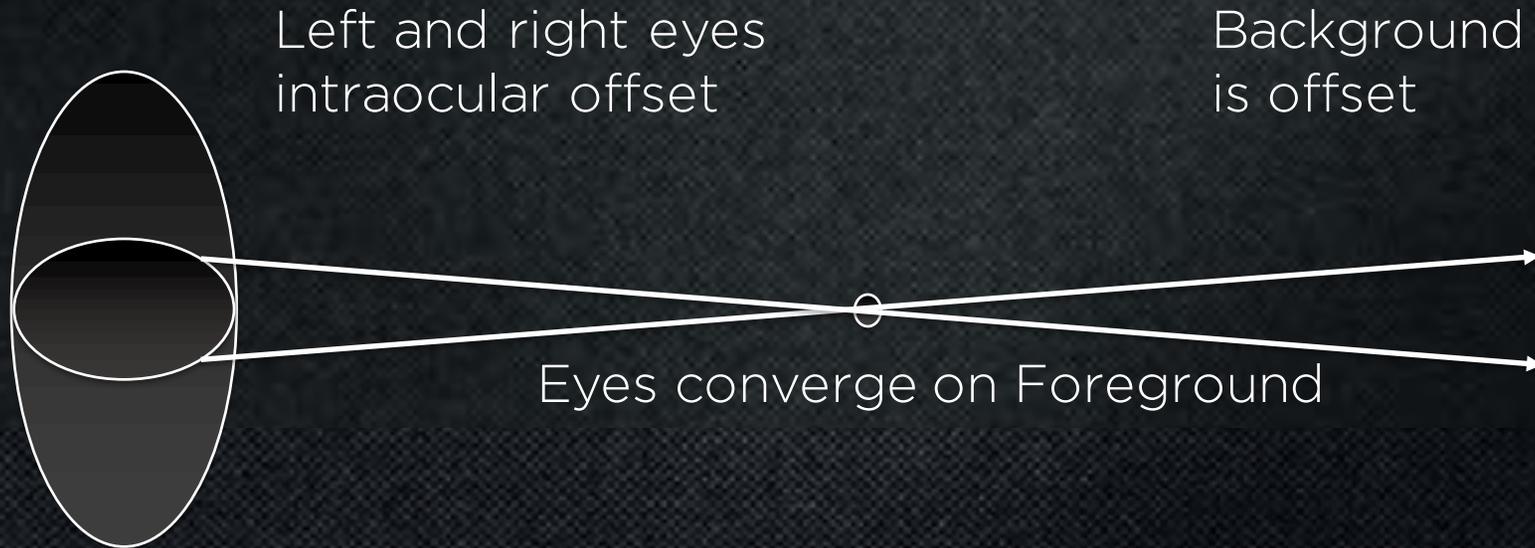
APPENDIX 1.0

Overview of other 3D technologies and their limitations



STEREOPSIS

Three dimensional perception



PRIOR 3D
TECHNOLOGIES

HOLOGRAMS

Multiple views of image in sheet of film

Embedded image on film

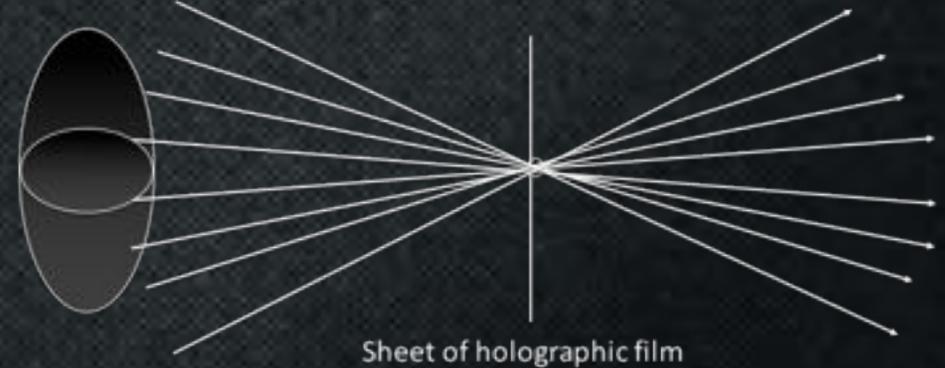
Live video not possible

Not-Ready-for-Primetime

Cost-Prohibitive Content Production

Left and right eyes see offset views

Background is offset in the holographic image



**PRIOR 3D
TECHNOLOGIES**

LENTICULAR DISPLAYS

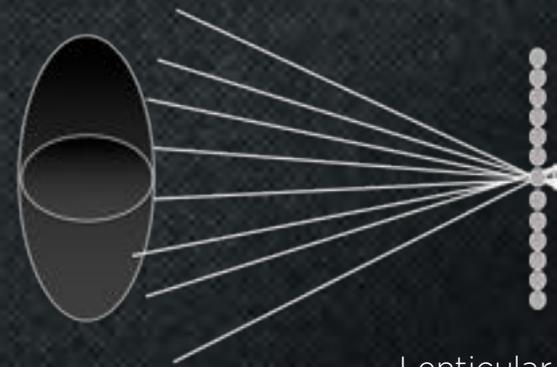
Multiple views of image through vertical linear lenses

Multiple cameras required

Interlaced images

Lenticular array required on each display device

Left and right eyes see offset views



Vertical rows of images
On LCD display

Lenticular array
on LCD panel



**PRIOR 3D
TECHNOLOGIES**

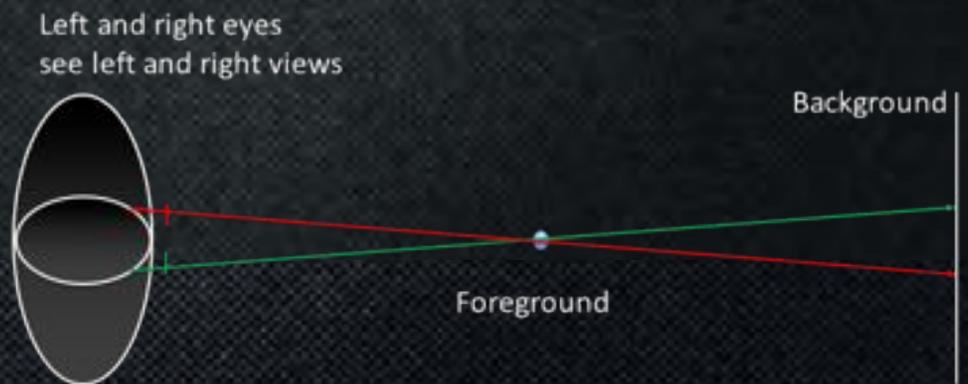
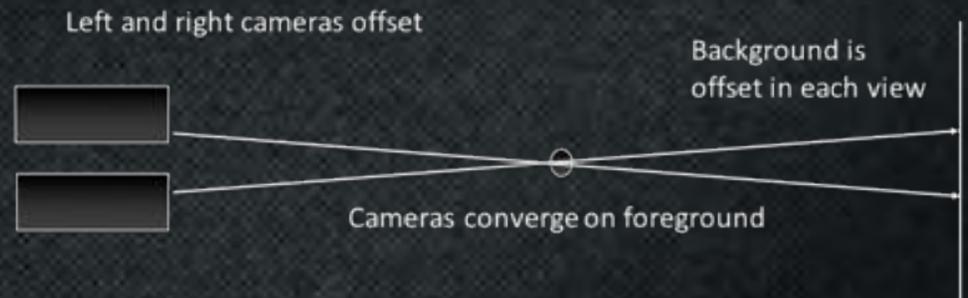
3D MOVIES

Users must wear 3D glasses

Capturing images requires two cameras

Requirement for two simultaneous video projections

Eye contact not possible due to 3D glasses



**PRIOR 3D
TECHNOLOGIES**

3D TV (with Lenticular Screen)

Do not require 3D glasses

The images misalign from some angles

Video production requires multiple camera views

By comparison 3DCLOUDTV™ retains excellent image quality from all angles and only requires one camera view



**PRIOR 3D
TECHNOLOGIES**

HOLOGRAPHIC FLIM

Contains a fixed image exposed into the film with lasers

Not possible to display live video content

By comparison 3DCLOUDTV™ displays full motion video in high definition and can show live video transmission for 3D TelePresence.



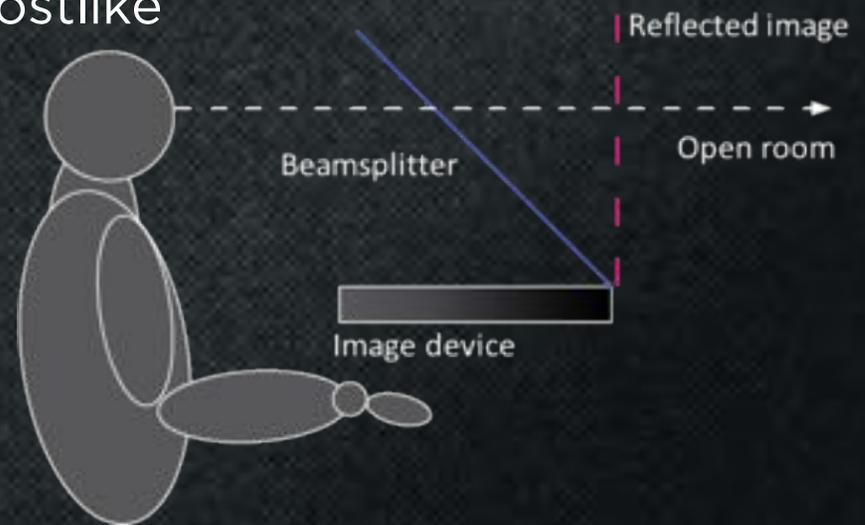
**PRIOR 3D
TECHNOLOGIES**

PEPPER'S GHOST EFFECT

Image of person appears to be ghostlike

Requirement for dedicated room

Too large for practical commercial implementation



PRIOR 3D
TECHNOLOGIES