

CODAN LIMITED

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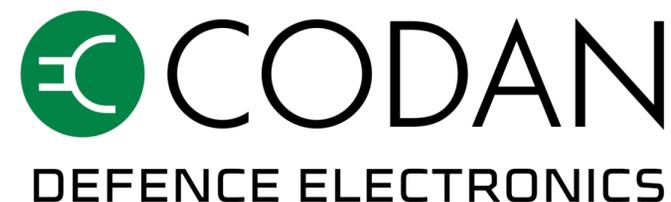
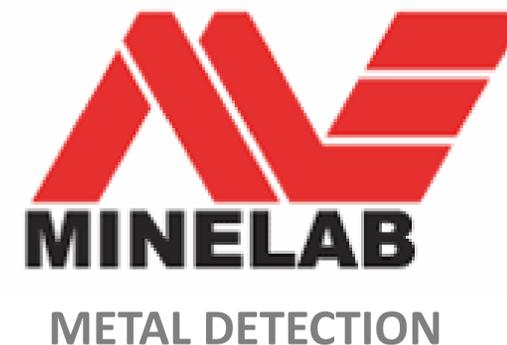
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TECHNOLOGIES FOR GLOBAL MARKETS

- Headquartered in South Australia, Codan is an international company that develops rugged and reliable electronics solutions for government, corporate, NGO and consumer markets across the globe
- Our purpose is to create long term shareholder value through the design, development and manufacture of innovative technology solutions
- Over our 57 year history we have developed technologies which give us a sustainable competitive advantage in our chosen markets



DELIVERING SHAREHOLDER VALUE OVER THE LONG TERM

Shareholder value

We succeed by:

- Developing unique, high value technology
- Delivering superior product performance in the harshest conditions
- Solving customers' safety, security and productivity problems
- Creating multiple revenue streams from globally diversified markets

Core values



Can-Do



High Performing

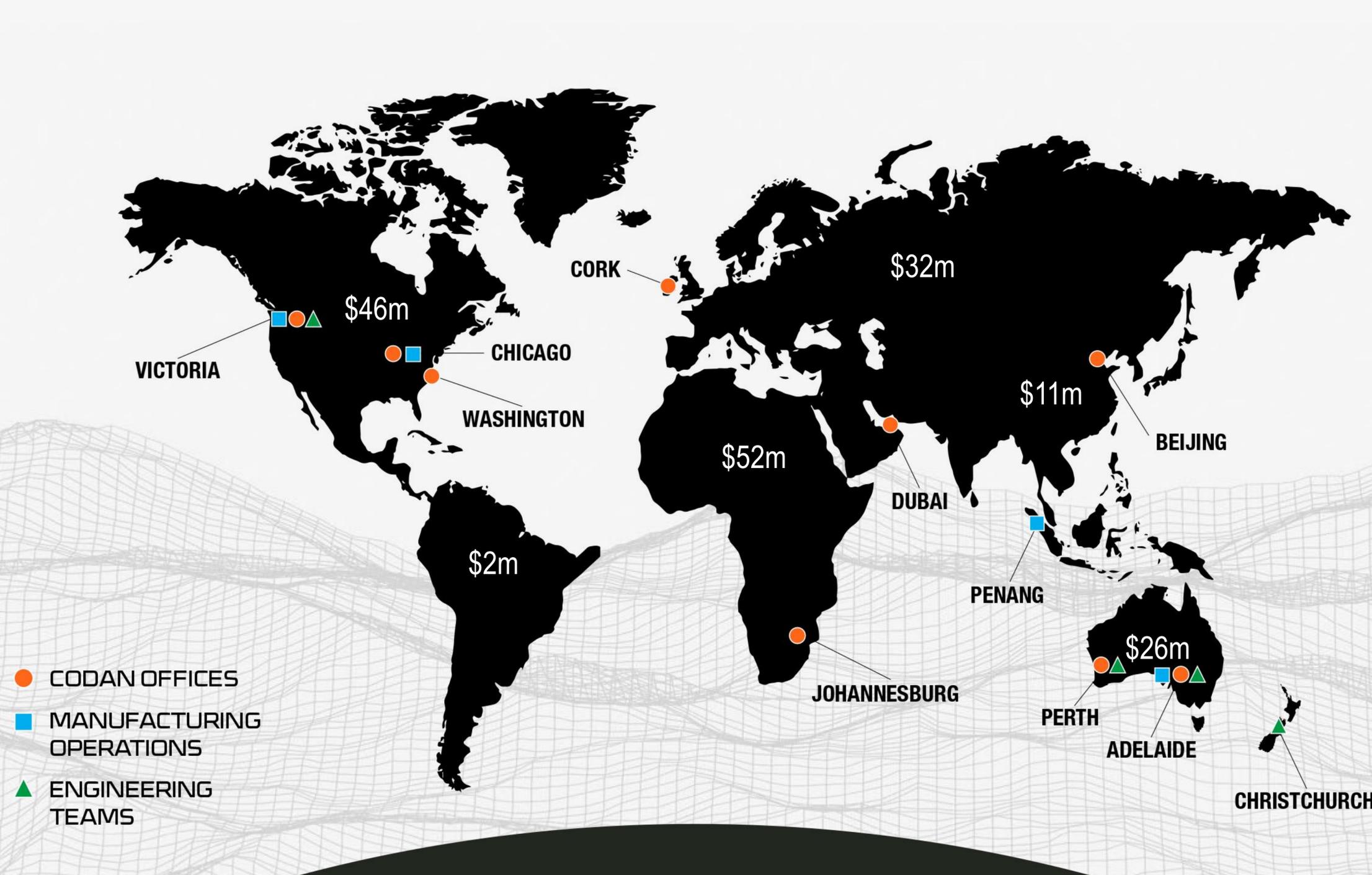


Customer Driven

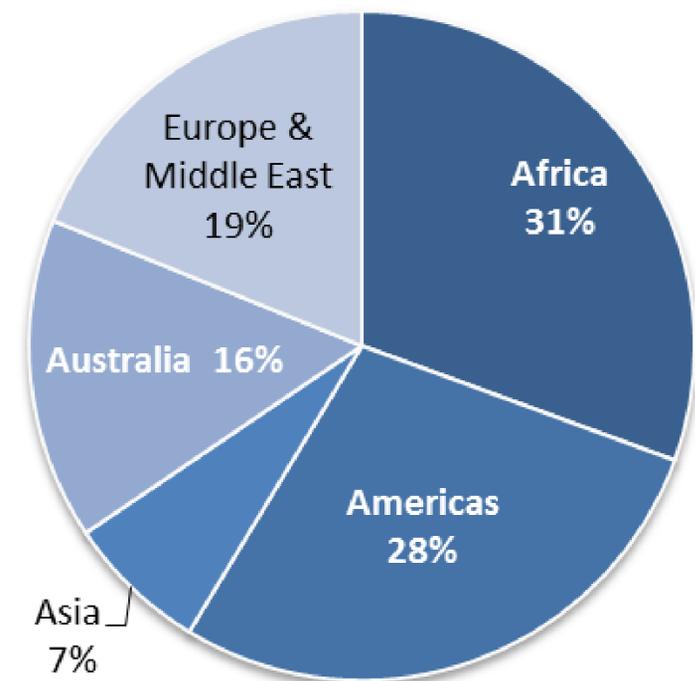


Openness & Integrity

GLOBAL FOOTPRINT – 85% OF SALES EXPORTED



FY16 sales by location

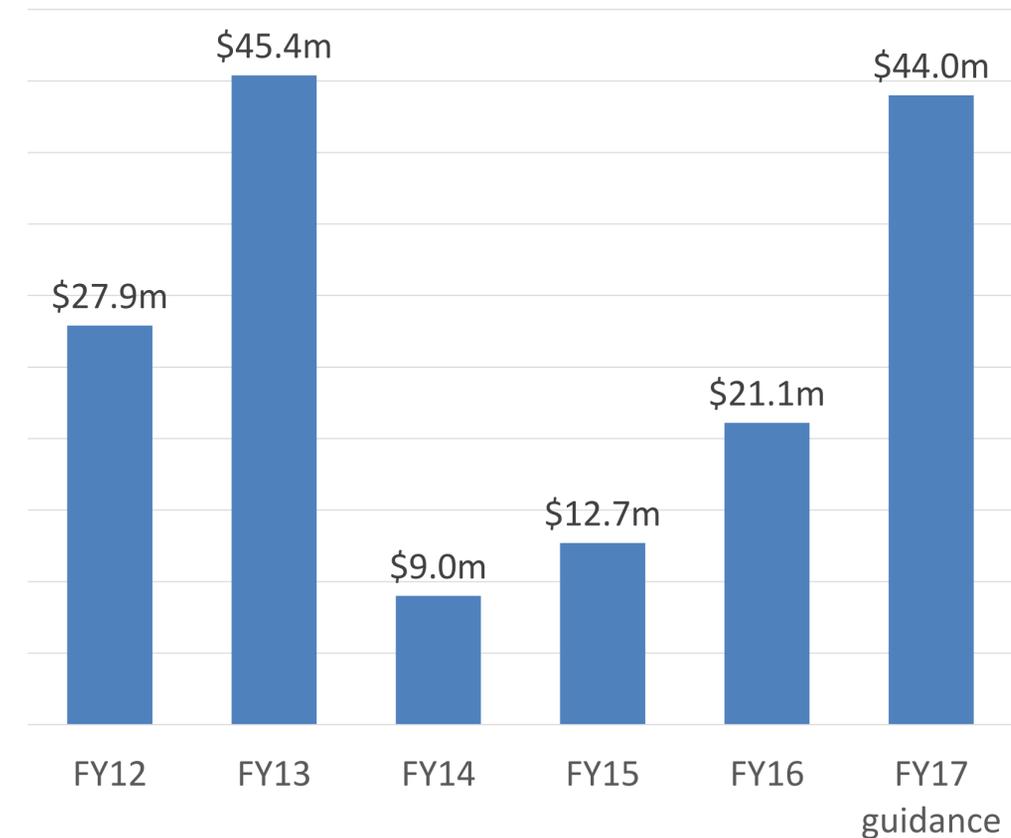


9 offices
375 employees

FINANCIAL SNAPSHOT

ASX Code	CDA
Shares on issue	177.2 million
Market capitalisation	\$420 million
FY16 NPAT	\$21 million
FY17 NPAT (guidance)	\$44 million
Debt free	

Underlying NPAT



- Baseline business: Revenue \$160 - \$180 million NPAT \$20 million - \$25 million
- Revenue upside driven by strong demand for gold detectors and large radio contracts

FINANCIAL PERFORMANCE

- **Revenue of \$191 million for the ten months to 30 April**
(33% higher than prior comparative period)
- **FY17 NPAT guidance double FY16**
- **Strong cash flow generation over the second half**
 - \$20 million net cash position at 30 April
- **History of 50% dividend payout ratio – fully franked**
 - FY17 interim dividend 3 cents (50% higher than prior comparative period)
 - Also paid 3 cent special dividend to reflect outperformance
- **Up to \$85 million debt facility available to fund future growth**

BUSINESS UNITS



 **CODAN**
RADIO COMMUNICATIONS


MINELAB

MINETEC™

 **CODAN**
DEFENCE ELECTRONICS

RADIO COMMUNICATIONS

Best in class solutions



- Two technology platforms:
 - Long range digital radio (HF)
 - Land Mobile Radio (LMR)
- Transitioning from a product to a solutions business
- Key markets in Africa, Asia, North America

RADIO COMMUNICATIONS

Long range digital radio (HF)

- New products for global military markets
- Acquisition of Stealth antenna technology (Jan 2017) has expanded product line
- Large project wins can lift revenues



RADIO COMMUNICATIONS

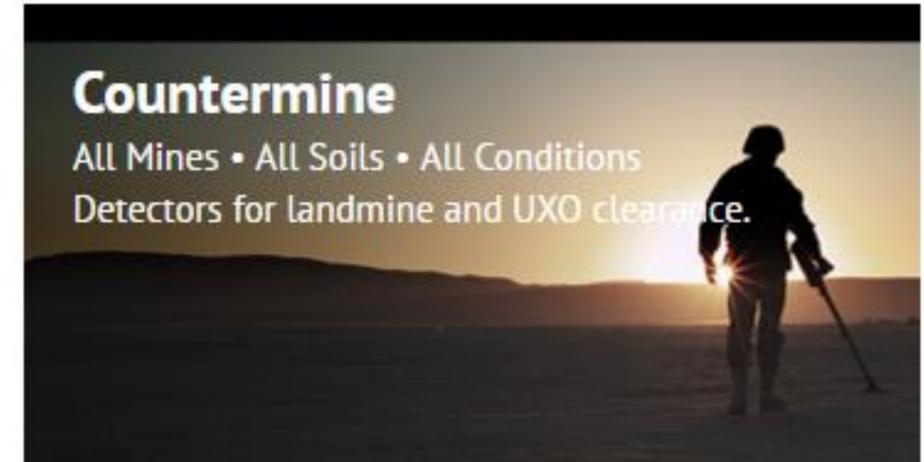
Land Mobile Radio (LMR)

- LMR used by first responders (police, fire, emergency services)
- New Cascade™ product range released from July 2017
- Software Defined Radio (SDR) – customer can upgrade without buying hardware



METAL DETECTION

World's best metal detecting technology



Key markets - Australia, USA, Europe, Russia

Users:

- > Families
- > Weekend enthusiasts
- > Serious treasure hunters
- > Keen gold prospectors
- > Archaeologists
- > Beach & deep sea detectors

Key markets – Africa / AsiaPac / LATAM

Users:

- > Small scale artisanal miners

Key market – countries impacted by war – past and present

Users:

- > Demining organisations
- > Governments
- > Security forces

METAL DETECTION

GPZ 7000[®] – released in Africa October 2015



- Ground-breaking technology
- Up to 40% depth improvement over GPX 5000[™]
- Deepest ground penetration available
- Driving a replacement market
- High return on investment



METAL DETECTION

New product – Gold Monster 1000[®]



- Specifically designed for harsh African conditions
- Challenge competitors at lower price point
- Rugged and easy to use
- Launched in May 2017



Highly accurate tracking of assets to improve mine productivity and safety

- “GPS” for an underground mine
- Numerous installed mines, critical reference sites for further sales
- Gaining market traction
- Operating profitably



TRACKING
VISUALISATION



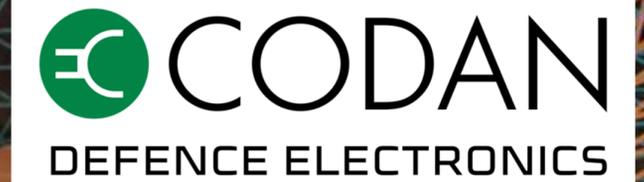
TASK
MANAGEMENT



PROXIMITY
DETECTION

DEFENCE ELECTRONICS

Leveraging our Defence capability



- Recent initiative to capitalise on our long history of supplying the defence sector
- Core technical competence in RF sub-system design
- Supplying large defence contractors



THANK YOU