

**An address by
Mr Greg Muller, CEO & Founder
Wednesday, 29 November 2017
Melbourne, Australia.**



Good morning ladies and gentlemen. Thank you for joining us today.

It has been just over 12 months since listing, and 5 months since we started the commercialisation of the Gooroo platform in the Australian market.

I am often asked whether I feel the market fully appreciates and understands what we're doing. So, what I am about to share with you I trust will open your eyes and express the scale of the global opportunity in front of us.

Let me start by reflecting on the fact that the world of work is changing, as is the work we'll be doing. As autonomous devices and smart machines continue their incursion in to the workplace, organisations have a decision to make. Adapt and leverage, or die. It's as simple as that and it won't matter if you're a market leader today. Organisations will be disrupted and it will happen faster than it ever has happened in the past.

In a flat, hyper-connected and intelligent world, engagement and relationships are important. As a race we will have more control over and access to information to make better decisions. Transactions will be faster and while security will remain an issue, we'll accept it and embrace it. While the digital divide is getting wider, many third world nations are now plugging in. They will jump generations of learning. They will adapt to innovation quicker – you just have to look at what's happening in Africa with telecommunications and micro payments. They will be the innovators of the next 25-50 years. What does this mean for our organisations and talent?

Let me be crystal clear. Time is running out. Organisations are falling behind and are not prepared for what the future holds. Moreover, most don't have the capability to determine what they need and how to get there. The hundreds of billions of dollars that will be spent on consultants and transformation projects globally are likely to be a total waste of time and money.

Boards and CEOs have to wake up.

Why? Because we're not committing to look more deeply. We're making assumptions that a person that was good in position A, will also perform in position B. We think that a team of the past is more likely to be right for the future. We thinking that a numerical reasoning test has some relevance to whether an individual is likely to be successful in a role. Yet, organisations are happy to billions of dollars. This is a massive opportunity for Gooroo.

The globalisation of our knowledge workers, the increasing automation of business processes, the challenge of reskilling our workforces and knowing how best to apply our people assets are billion dollar problems facing organisations around the globe.

As society's appetite for new technology grows our companies will be forced to differentiate in faster, smarter ways. The problem we're now faced with is both fundamental and structural. It's more personal. Customers aren't going anywhere but how we engage with them will. Our ability to reach them will be easy, but our ability to connect and create action will become more difficult. Traditional methods won't cut it.

It requires new thinking. Innovative, creative, entrepreneurial thinking. Technical thinking. A growth mindset.

So the question is, how do they get prepared?

They need tools to understand teams and the potential of people. They must be able to understand their business and the alignment of their people to the future. They need to have a way to communicate with people more personally, inside and outside the organisation. They must shift their thinking about how they engage specialised talent and short-term capability. They need to be able to do this quickly, on demand.

Why have Jeff Bezos (Amazon), Mark Zuckerberg (Facebook), Jack Ma (Alibaba), Larry Page and Sergey Brin (Google) and Elon Musk (Tesla) been so successful, so quickly? They understand people, what motivates them and what's important to them. They've built platforms that respond, adapt and are respectful of choice. They understand the importance of access, expression and connections. They help people dream and get excited about what's possible. Their ideas scale and have unique IP that's hard to replicate.

Now think about our big banks and our traditional retailers, our telecommunications companies, law organisations and accountants. See a problem? Are they ready for the wave of fundamental disruption that's heading their way? The next 10 years will see a number of colossal failures, many of which can be foreseen today. This, in turn, is our opportunity and that of those organisations who choose to partner with us.

This is where Gooroo comes in. We need to be prepared to throw out traditional thinking. Customer-centricity must be embraced, but embraced in the context of a new technological world where everything is uncertain and change is a constant.

So, what does an organisation need to take them there and where does Gooroo fit in?

It's about people, not technology. The right strategy will present with the right thinking. The right thinking needs an advanced understanding of how we identify human potential and fit in the context of an organisation, team and role.

Gooroo is commercialising capability, based on artificial intelligence and neuroscience, that:

- Unlocks the accessible human potential within an organisation by establishing a better understanding of the mindset and capabilities of staff
- Can dynamically design and build better performing teams by anticipating work styles and cultural fit
- Can directly inform the future career pathways for a staff member, whether that be identifying the future leaders of the organisation early or re-skilling a workforce to prepare for the future. This technology can be applied in our schools, training providers and with individuals themselves as they chart their careers
- Cuts waste and improves delivery performance by reducing the error rate of bad hires by an estimated 75% over current methods
- Build speed and responsiveness by creating talent pools with valuable data that can be used to enable just-in-time access. This creates a true internal 'memory' which is seen as an organisational asset, not a database to manage
- Can open up completely new revenue opportunities for consulting groups and agencies
- Can be integrated with other platforms and environment to bring intelligence and value to native applications that are core for our clients.

There is no other technology in the global market that can boast this capability mix. There is no other technology in market that has the capability to fundamentally inform how organisations plan for and ready themselves.

Last month we took an important step in protecting our intellectual property by lodging a critical patent application, which covers a unique method of understanding the process of human thinking. We call it an Advanced Relationship Meaning System, or ARMS for short.

ARMS replicates the way that brain, mind, and consciousness are integrated to build a frame of reference for how we make decisions, in particular in times of choice and uncertainty. It allows us to establish the sequence and patterns of human thought that generates a meaning and preferred pathway to a specific goal and objective.

What this means is that we are able to map an individual's likely decision-making patterns in specific settings and environments.

We can use it to understand the capabilities that we need to develop in our children and existing workforces to prepare them for the roles of the future.

It can be used in determining candidate fit, guiding career paths and consumer product marketing.

Coupling ARMS with our big data and artificial intelligence capability, Gooroo is positioning itself to answer critical questions at an individual, organisational and society level.

- Why do some kids engage in their learning differently than others?
- Why does one equally qualified IT professional become a data scientist, while the other becomes a security analyst?
- Why do some teams continually perform, while others never seem to get out the gate?
- Why do some people prefer to work on their own and others in teams?
- Which of my existing team members have the potential and growth mindset to meet the demands of our business moving forward, who do we need to reskill and who do we let go?

This world-class capability is what organisations can now take advantage of and what we are now selling. Gooroo has the technology and strategy in place to be a world-leader.

We have a commitment to quality and long-term sustainability

As shareholders and investors, we understand your appetite for results and growth and that the last 12 months you may have expected more from us. The Board and I don't take this responsibility lightly and I'd like to reassure you that our focus is on building a business for the long-term. There are many applications ("apps") that have enjoyed dramatic growth but have failed to be relevant across generations. Our strategy revolves around two core pillars:

- Unique intellectual property that is difficult and time consuming to replicate
- Solving big, global problems that have the potential of impacting billions of lives.

What we have built

The Gooroo platform is supporting enterprises, and individuals.

Gooroo's enterprise tools:

- Assess the work styles, mindset and technology thinking across all staff in a business
- Evaluate the cultural alignment within a team and across an organisation across the factors that enable innovation, creativity and accelerated performance
- Set the success factors that are key to role success
- Dynamically predict those individuals who are the best fit for an open role (whether they be staff and/or external candidates)
- Dynamically assess the performance and growth of internal staff members and their alignment to the organisation's future needs

- Enable the development and integration of any candidate pool to provide intelligent access to available talent, on-demand
- Deliver job market intelligence and analytical tools that aid decision-making and hiring strategies.

We are now seeing an increasing rate of user accounts being created, performance benchmarks being established and assessments being run.

Our talent (career management) platform:

- Is focused on building careers in technology
- Delivers job opportunities to individuals that are closely matched to their interests, skills, potential and mindset
- Delivers training courses that will increase their earnings and career success
- Processes between 500-1,000 new member sign-ups every month.

It is this platform that Microsoft has identified as a benefit to their global community.

Who we're targeting

Gooroo's commercial sales and marketing team is currently focused on:

Identifying direct business opportunities, initially in Australia, with:

- Innovative recruitment agencies who can see the accelerating shifts underway in their market and who want to extend the value proposition they're offering
- Mid-to large companies (typically 200 people and above) who are committed to innovation and need to build their teams, or those organisations who recognise the need to reposition for the future.

To help us drive scale, we are also signing contracts with strategic distribution partners and value-added resellers who will represent Gooroo in market, locally and internationally. These organisations include HR, marketing and business management consultancies that provide organisational design, transformation and marketing services, and who see Gooroo offering an extension to their existing services and offering.

Our goal over the next 12 months is to establish a finite number of large distribution and value-added reseller agreements who are contractually committed to selling and supporting the implementation of the Gooroo platform.

Further, scale will be driven through:

- the integration of our technology with other popular HR software platforms. We are committing resources over the coming 12 months to enable these integrations to support existing customers and position the business for future demand.
- the development of large, enriched candidate databases and communities that increase in value over time and when Gooroo algorithms are applied to them.
- the training and accreditation of partners and select individuals within our client businesses. Quality adoption of the platform will drive increased engagement and broaden adoption.
- the integration of our ARMS intellectual property with other solutions via an API. In these instances, Gooroo will charge based on usage volumes.

What is the Gooroo business model?

We have now started to sell subscription-based contracts on a 12 month minimum commitment. These typically start at AU \$2,950k per month for a small implementation, rising to high five figures per month for large organisations.

The key determinant of the subscription fee level is the number of new talent being added and assessed each month. Talent are added and assessed when they apply for roles, or are being assessed independently of an open role.

Subscription agreements include usage limits and quotas. Once this quota is exceeded, such as the total number of talent being managed by Gooroo, a small fee is charged for each new member added.

Value-added resellers are required to adopt the same pricing mode and they will earn a commission rate against the annual subscription.

We intend to report on the number of new talent being added in to the platform by subscribers each quarter as the rate of new talent being added has a direct correlation to revenue, engagement and value.

Based on the requests we're now receiving from third parties, we also expect project-based opportunities to present themselves. In these cases, we will charge an upfront project fee for access to our technology and intellectual property.

The business model has been accepted by the market evidenced by an increase in new contract signings. Just some of these include:

- Randstad – the global recruitment and HR services company has entered a paid 3 month pilot. The platform is now being actively used with clients and Randstad is now exploring various opportunities where they can leverage the Gooroo platform in market to create new service capabilities and competitive advantage. The pilot is progressing very well and we're hoping to announce various initiatives with Randstad over the coming weeks.
- KPMG – one of the global 'big 4' consultancies, KPMG's Solution 49x division has entered a teaming agreement and subscription contract with Gooroo. KPMG has recognised Gooroo unique intellectual property and is promoting this capability to its enterprise customers. Further, KPMG Solution 49x has signed a paid subscription agreement where they are using the Gooroo platform to support team design and selection decisions. Once again, we're hoping to announce a constant stream of new opportunities being driven by this partnership shortly.
- Kinetic IT – a large national IT managed services company has signed a long-term subscription agreement with Gooroo to deliver best practices in talent identification, screening and selection, and in the development of high-performance teams across the country.
- Halcyon Knights – a highly regarded and innovative IT recruiter & Executive Search agency is using Gooroo's to build an enriched candidate database that can deliver greater intelligence and accuracy to their candidate search, screening & selection processes.
- One of Australasia's premier IT & Digital Media Recruitment Agencies (a division of a listed recruitment group) has entered a subscription agreement with Gooroo. The company recently deployed the platform in Singapore to support a large graduate intake program for a major, global internet client.

The Gooroo business development team is now managing a considerable pipeline of opportunities. We expect to announce a number of new major deals and contract extensions over the coming weeks.

What are our key areas of focus this year that will drive our success?

This coming year, we are focused on:

- Building a blue-chip portfolio of domestic and global clients, directly and via distribution partners.
- Continuing product development to expand platform capabilities, revenue lines and protect our leadership position.
- Establishing a number of large distribution (reseller) agreements that will complement the efforts of our sales team.
- Building awareness of the disruptive and transformative nature of the Gooroo proposition at an industry, government and senior executive level.
- Implementing a customer success team to maximise engagement, retention and to support upselling. This capability will be critical as we scale the operation globally and to ensure customers are obtaining full value from the platform.
- Implementing a certification program that accredits individuals who wish to be able to interpret and advise. This helps with maintaining quality, credibility while directly supporting the platform's scalability.
- Maintaining a prudent financial management regime that maximises the return on the investments made in our team, product and marketing.
- Integrations with third party vendors and technology partners that make accessing the Gooroo tools more efficient for our customers
- Preparing for international expansion, supported by our global partners.

What are the risks we're managing?

I would like to take this opportunity to remind everyone that Gooroo is much more than a recruitment solution. We are a strategic business and people platform, positioning organisations for growth while facilitating the development of more satisfying careers. There is a learning curve with the adoption of Gooroo and we are continuing to make the onboarding process simple and as easy as possible to communicate. We may find that some customers are not prepared to invest the time and right level of thinking to fully leverage the power in the platform.

Our competitive landscape continues to evolve with many new entrants in the market. This is creating noise. Thankfully, the Gooroo platform is very well positioned, but it does make it harder for us to cut through. We're not seeing any material competition locally and internationally. Conversely, Gooroo will start present a real threat to various incumbents as awareness of our brand and capability increases.

As a result of our recent capital raising (\$2.3m) and R&D grant funds received (\$726k), we have removed any short-medium risks associated with our cash reserves. One of our primary targets now is to achieve cashflow positivity and we're working hard to drive the volume of sales contracts, and recurring revenue base.

What announcements and results should we be expecting from the Company over the coming 2-3 months?

We are aggressively building our pipeline of opportunities, initially in the Australian market. We will advise investors and shareholders of any key contracts we sign, and we will soon start to report on the growth of our recurring revenue base.

As discussed, we are now building a revenue base that we expect to accelerate over the coming months. We are no longer offering free trials and will be incentivising customers to pay annually upfront.

We also anticipate that international opportunities will begin to present themselves via our partners and as organisations become familiar with the impact we can have on their bottom-line and strategic futures.

Shareholders should expect to see a growth in receipts this current quarter off a low base. Momentum is building and we are targeting accelerated recurring revenue growth quarter on quarter.

Are there any acquisitions in Gooroo's immediate future?

We are continually looking at new entrants and existing providers who can help us further differentiate and accelerate our value proposition and commercialisation efforts. We have a list of organisations that we're currently watching and will keep our investors and the market appropriately informed on developments.

As I conclude, I'd like to thank our long-term shareholders and those investors who have committed to our vision. The potential for Gooroo is dramatic and we're well on our way. We have unique capability that will soon come to the attention of the industry giants as we start to win more business. We have established a highly capable team and with the introduction of Tom Brown as our new Chairman we are nicely positioned to achieve our upcoming milestones.

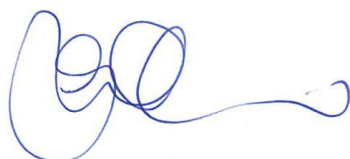
To finish I'd like to share this quote from Lynne Doughtie, US Chairman & CEO at KPMG:

"Today's top business leaders understand that long-term success in this era of fast-paced technological change and global economic shifts requires a new way of thinking and operating. In fact, the corporate playbook is being rewritten and replaced by one that takes business agility to a level we have never seen before."

Gooroo is attracting the attention of these business leaders who acknowledge to us that most existing solutions are completely missing the mark, but where Gooroo is representing a path forward.

We are extremely excited about our forward prospects and I encourage you to share our story with your colleagues, clients and friends.

Thank you.



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