



Drone-based Data Service
and Technology Solutions
Provider to the Mining and
Agricultural industries

INVESTOR UPDATE

20 March 2022

ASX: DLT

DISCLAIMER

Summary

This presentation has been prepared by Delta Drone International Limited. ("Delta Drone" or the "Company") based on information available to it as at the date of this presentation. The information in this presentation is provided in summary form and does not contain all information necessary to make an investment decision.

This presentation does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any security in Delta Drone, nor does it constitute financial product advice or take into account any individual's investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this presentation but must make its own assessment of Delta Drone and conduct its own investigations. Before making an investment decision, investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. Delta Drone is not licensed to provide financial product advice in respect of its securities or any other financial products. Cooling off rights do not apply to the acquisition of Delta Drone securities.

Although reasonable care has been taken to ensure that the facts stated in this presentation are accurate and that the opinions expressed are fair and reasonable, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Delta Drone its officers, directors, employees and agents, nor any other person, accepts any responsibility and liability for the content of this presentation including, without limitation, any liability arising from fault or negligence, for any loss arising from the use of or reliance on any of the information contained in this presentation or otherwise arising in connection with it.

The information presented in this presentation is subject to change without notice and Delta Drone does not have any responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of this presentation, which may affect any matter referred to in this presentation. The distribution of this presentation may be restricted by law and you should observe any such restrictions.

This presentation contains certain forward looking statements that are based on the Company's management's beliefs, assumptions and expectations and on information currently available to management. Such forward looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results or performance of Delta Drone to be materially different from the results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the political and economic environment in which Delta Drone will operate in the future, which are subject to change without notice. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast. To the full extent permitted by law, Delta Drone and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this presentation (including, but not limited to, any assumptions or expectations set out in the presentation).

Not financial or product advice

This presentation is for information purposes only and is not a prospectus, product disclosure statement or other offer document under Australian law or the law of any other jurisdiction. This document is not a financial product or investment advice, or a recommendation to acquire securities in Delta Drone International Limited, nor is it legal or tax advice. You are solely responsible for seeking independent and professional advice in relation to the information contained in this presentation and any action taken on the basis of that information. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs and seek legal and taxation advice appropriate to their jurisdiction.

Financial data

All dollar values are in Australian dollars (A\$) unless stated otherwise.

Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. The historical information in this presentation is, or is based upon, information that has been released to the Australian Securities Exchange (ASX). This presentation should be read in conjunction with Delta Drone International Limited's other periodic and continuous disclosure announcements which are available at www.asx.com.au.

Future performance

The presentation includes forward-looking statements regarding future events and the future financial performance of Delta Drone International Limited. Forward looking words such as "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" or other similar expressions are intended to identify forward-looking statements. Any forward looking statements included in this document involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Delta Drone International Limited and its officers, employees, agents or associates. In particular, factors such as variable climatic conditions and regulatory decisions and processes may affect the future operating and financial performance of Delta Drone International Limited. This may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. The Information also assumes the success of Delta Drone International Limited's business strategies. The success of the strategies is subject to uncertainties and contingencies beyond control, and no assurance can be given that the anticipated benefits from the strategies will be realised in the periods for which forecasts have been prepared or otherwise. Given these uncertainties, you are cautioned to not place undue reliance on any such forward looking statements. Delta Drone International Limited is providing this information as of the date of this presentation and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including the Company). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this presentation will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. The forward-looking statements in this presentation speak only as at the date of this presentation.

No advertisement

This document does not constitute an advertisement for an offer or proposed offer of securities. It is not intended to induce any person to engage in, or refrain from engaging in, any transaction.

Disclaimer

Except as required by law, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness, reliability or correctness of the Information, opinions and conclusions, or as to the reasonableness of any assumption contained in this presentation. By receiving this presentation and to the extent permitted by law, you release Delta Drone International Limited and its officers, employees, agents and associates from any liability (including, without limitation, in respect of direct, indirect or consequential loss or damage or loss or damage arising by negligence) arising as a result of the reliance by you or any other person on anything contained in or omitted from this presentation. To the maximum extent permitted by law, Delta Drone International Limited and its respective advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents exclude and disclaim all liability, including without limitation for negligence or for any expenses, losses, damages or costs incurred by you as a result of your participation in or failure to participate in the Offer and the information in the presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. To the maximum extent permitted by law, Delta Drone International Limited and its advisers, affiliates, related bodies corporate, directors, officers, partners, employees and agents make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of information in this presentation.



COMPANY SNAPSHOT

Enterprise Value (A\$)

Market cap ¹	Share price \$0.012 at 17 Mar 2023	\$6.1m
Cash ²	As at 31 Dec 2022	\$2.2m
Debt ³	As at 31 Dec 2022	Nil
Enterprise Value	17 March 2023	\$3.9m

Key Operating Metrics (Dec financial year end)

Revenue FY22	End Dec 2022	\$5.7m	+25% on FY21
ARR⁴ end FY22	End Dec 2022	\$2.4m	+83% on end Q1 FY22
TCV⁴ end FY22	End Dec 2022	\$4.9m	+62% on end Q1 FY22

¹ 511,604,932 ordinary shares outstanding at the date, including those in voluntary escrow

² Excluding Parazero Final Payment received of \$814k – see [Announcement, 7 March 2023](#)

³ Excluding motor vehicle leasing and credit cards

⁴ Annual Recurring Revenue (ARR), Total Contract Value (TCV), see 'ARR | TCV' slide for details. The Company began recording this metric per end March 2022.

OUR BUSINESS MODEL

Drone-Based Data Service and Technology Solutions



UNIQUE VALUE DRIVERS

Which amplify our Business Model



Scalable Business Operating Model

A key component of what we have built over the last decade as a business is the ability to scale our operations not only domestically, but at a global scale.

Whether organic growth or through acquisitions, we have designed and built mature and robust systems (such as commercial, legal, financial & operational models) that adapt well to jurisdictions with high regard for legislated drone and uncrewed technology operations.

Business' which we acquire immediately benefit from our existing approvals and know-how, enabling faster growth via a wider capability set.

Distribution

We have strong Sales and Marketing teams based across multiple continents and time-zones, allowing us to offer significant reach for our partners, as well as global support for our customers.

Training & Recruitment

Through the years, we have developed a formal recruitment team that can accurately identify, recruit, onboard & train new pilots to modern training standards, developed by our internal team.

We also train external customers who require their Remote Pilots License or BVLOS type-ratings.

Economies of Scale

With one of the largest drone fleets in the world, DLT has built strong partnerships with some of the globe's leading hardware and software suppliers, allowing us to negotiate competitive pricing and comprehensive service levels at an international level.

This scale also opens doors to the latest technology and upgrades, as we generally have input at an engineering-level to improve the overall product and delivery experience.

Regulatory Approvals

Our team is not only comprised of surveyors and engineers, but traditional aviators too!

This unique industry knowledge, built over the course of 12 years, has allowed us to develop mature Safety and Quality Management Systems, which in turn builds trust and confidence from regulators (such as CASA).

We are only a handful of operators to achieve Beyond Visual Line of Site (BVLOS) accreditation across multiple continents, which enables us to attain large area data acquisition at a lower cost point.

AI & Software Integration

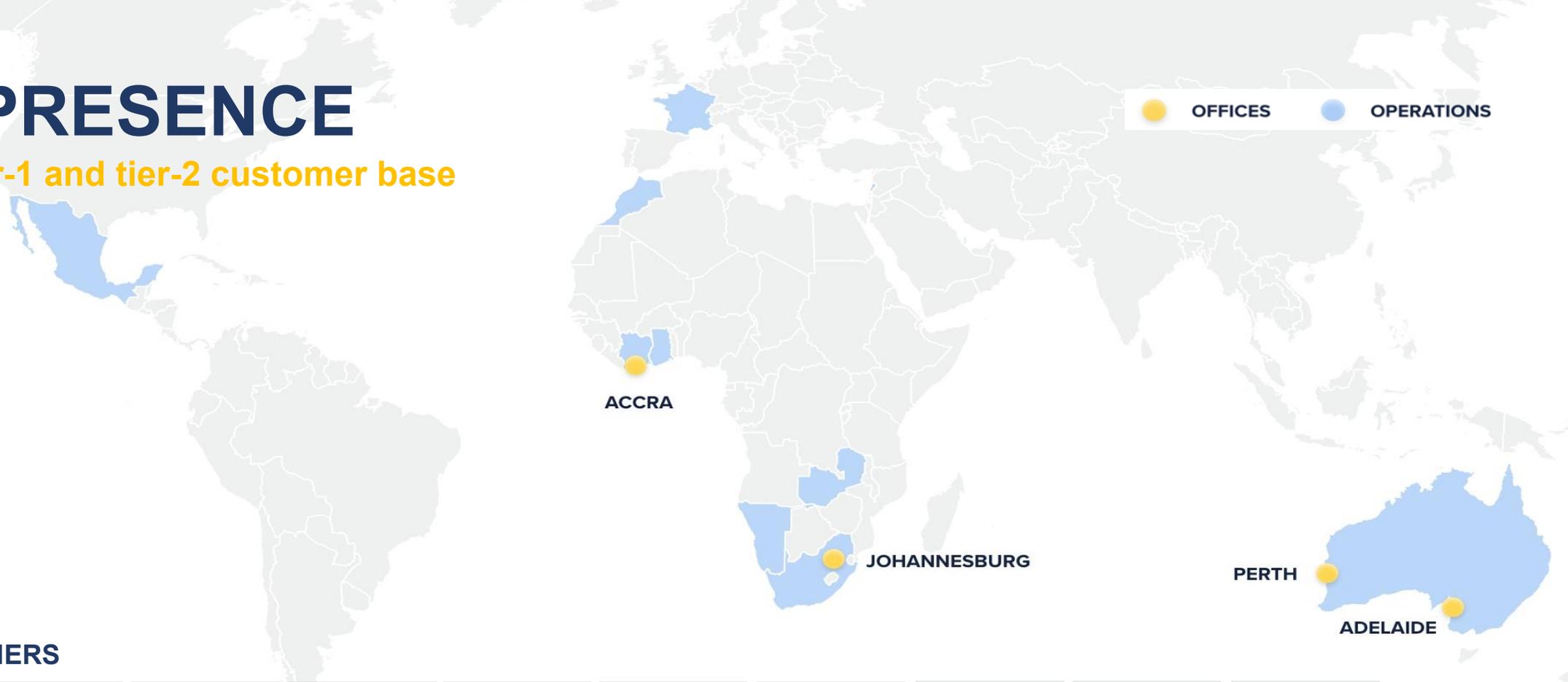
We develop applications which streamline our data workflows and integrate with pre-existing cloud-based AI tools or visualisation platforms – these deliver information and insights directly to our customer's database and portals.

Automation & Research

Our R&D is heavily focused on developing an autonomous drone & robotic eco-system which would remove pilots operating in dangerous areas, while delivering a higher frequency of data from Remote Operating Centres.

OUR PRESENCE

Growing tier-1 and tier-2 customer base



OUR CUSTOMERS



INVESTMENT HIGHLIGHTS

STRONG CORE BUSINESS



- ✓ Established global presence in mining jurisdictions with excellent team
- ✓ Proven business model with large-scale tier-1 and tier-2 customers
- ✓ Strong TCV and ARR contract growth with clients
- ✓ Operations hardware & software: enterprise agreements & preferential pricing with technology suppliers
- ✓ Drone pilot sourcing and training
- ✓ Strong cash-position with growth pathway to breakeven

A GROWTH & VALUE BUSINESS



- ✓ DLT's tech-services offer real value to our customers – expanding number of use cases and increasing utilization by industry including move to outsourcing
- ✓ Development pipeline of new products & services
- ✓ Attractive Profit Margins on long-term B2B contracts
- ✓ Strongly positioned to integrate our business model through strategic acquisitions

POSITIVE INDUSTRY DRIVERS



- ✓ Primary industry companies are well funded (mining and agriculture)
- ✓ Cost-saving initiatives are well-received & understood
- ✓ Increased spending on exploration & precision agriculture programmes
- ✓ The demand for real-time input data is growing to feed into AI & GIS applications

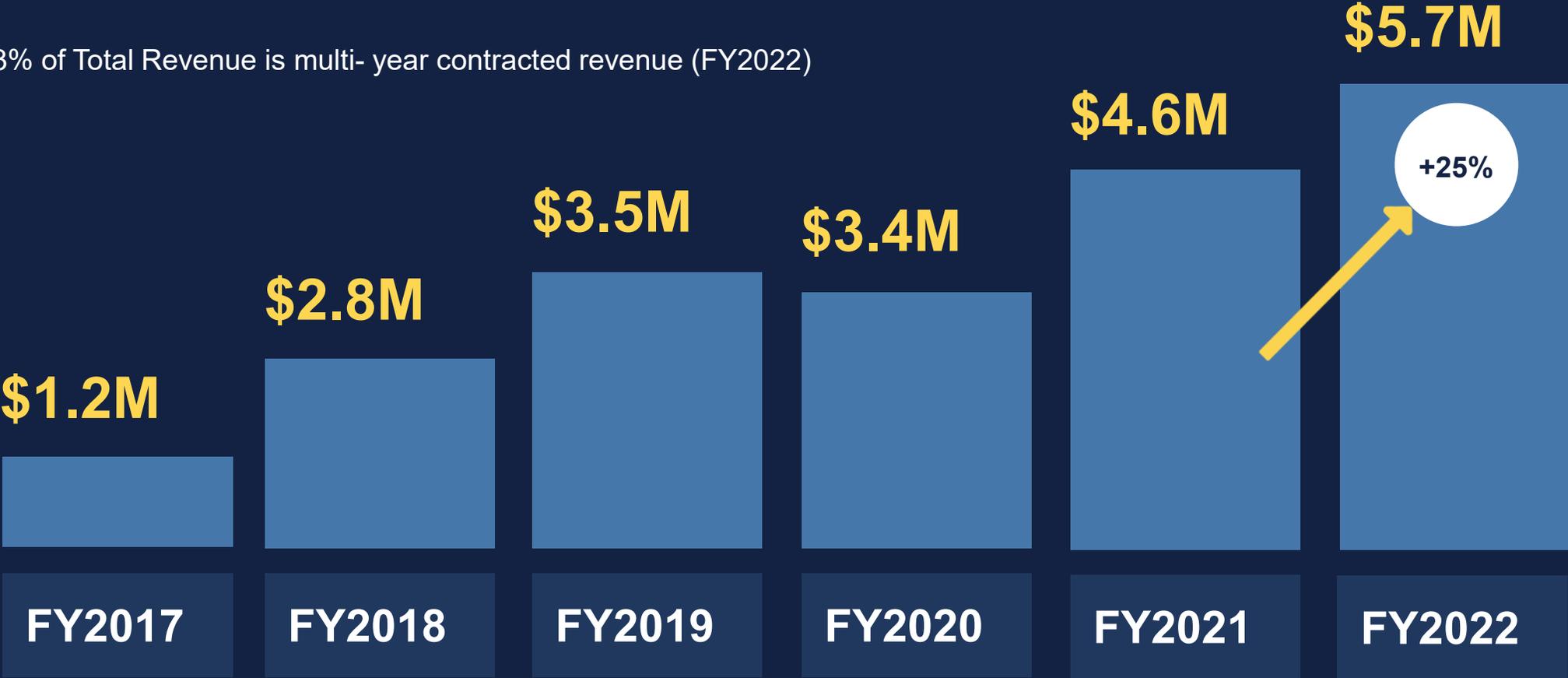
A green tractor pulling a large green agricultural machine through a field of green crops at sunset. The sun is low on the horizon, creating a warm glow and long shadows. The sky is filled with soft, wispy clouds. The overall scene is a peaceful and productive agricultural landscape.

Key Operating Metrics & Financials

OUR GROWTH

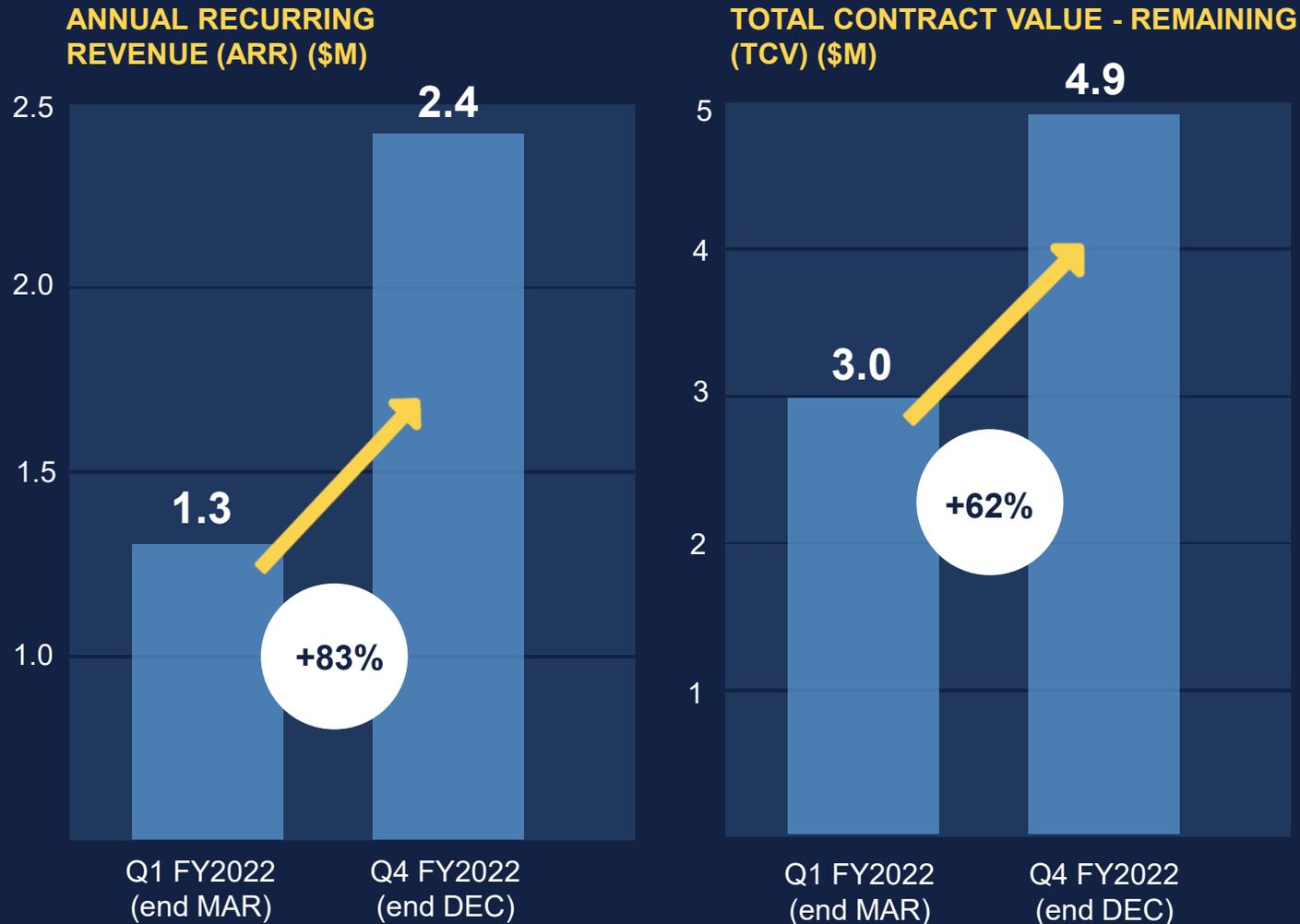
Revenue growth shows growing track record¹

- ✓ 32% of Total Revenue is generated in Australia (FY2022)
- ✓ 33% of Total Revenue is multi- year contracted revenue (FY2022)



¹ 31 December financial year end

ARR | TCV – OUR GROWTH



ARR: annualised revenue which is contracted and has a minimum original term of 12 months

TCV: total value of all remaining contracts (only contracts that had a minimum of 12 months original duration are included) and is net of monthly contract depletion (i.e. the revenue remaining to be collected until end of contract life)

ARR and TCV may be impacted by exchange rate fluctuations. The Company began recording this metric per end March 2022.

Growth in FY2022 driven by 4 material contracts

- ✓ **Red 5 Limited** (Western Australia) – 3-year contract, 8 June 2022
- ✓ **Assmang Khumani Iron Ore** (South Africa) – 3-year contract, 27 July 2022
- ✓ **Anglo American (Mogalakwena Mine)** (South Africa) – 2-year contract, 17 October 2022
- ✓ **SFTP Mining** (Ivory Coast) – 1.5-year contract, 5 December 2022

Post December 2022 year end material contracts signed

(data not included in the graphs)



Vedanta Zinc International Black Mountain Mining

TCV of \$281k and **ARR** of \$211k – 16 months remaining

Vedanta Limited is the 6th largest diversified mining company in the world, see [ASX announcement](#) 31 January 2023



AngloGold Ashanti Sunrise Dam Gold Mine

TCV of \$307k and **ARR** of \$154k – 2-year contract

A leading global gold miner, see [ASX announcement](#) 27 February 2023

QUARTERLY RESULTS - HIGHLIGHTS

Q4 FY2022 (DEC)

ARR AND TCV

- ✓ ARR - \$2.4m
up 18% on prior quarter
(Q3 FY2022)
- ✓ TCV - \$4.9m
up 10% on prior quarter
(Q3 FY2022)

REVENUE & CASH

- ✓ Revenue - \$1.6m, up 20% on prior quarter
- ✓ Cash receipts - \$1.7m, up 24% on prior quarter
- ✓ Contracted annual recurring revenue (ARR) was 32% of total revenue
- ✓ Australian operations accounted for 32% of group revenue (trade)

MATERIAL CONTRACTS SIGNED IN & POST Q4

- ✓ Anglo American (Mogalakwena platinum mine) (South Africa) – 2 year contract (TCV \$516k / ARR \$258k)
(see ASX announcement 17 October 2022)
- ✓ SFTP Mining (Ivory Coast) – 1.5-year contract, 5 December 2022 (TCV \$341k / ARR \$227k)
(see ASX announcement 5 December 2022)
- ✓ Vedanta Zinc Int – Black Mountain Mining (South Africa) – 16-month contract (remaining), (TCV \$281k / ARR \$221k)
(see ASX announcement 31 January 2023)
- ✓ AngloGold Ashanti – Sunrise Dam Gold Mine (Western Australia) – 2-year contract, (TCV \$307k / ARR \$154k)
(see ASX announcement 27 February 2023)

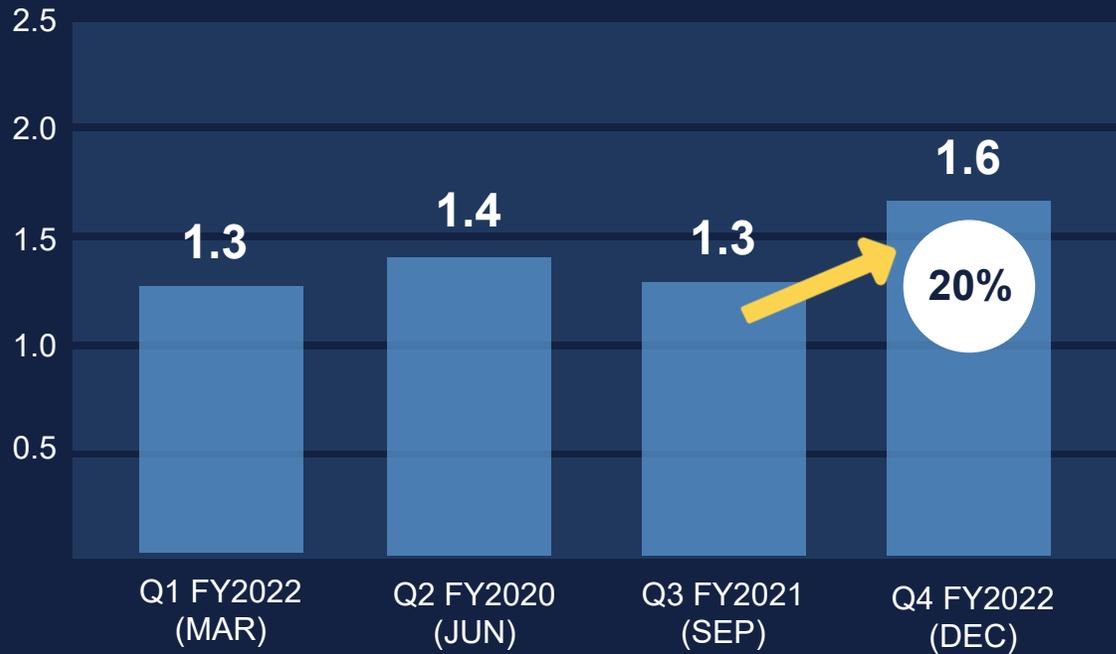
KEY INITIATIVES

- ✓ Software partnership signed with Strayos, complementing DLT's data solutions with AI-driven technology, significantly broadening the business model
- ✓ New institutional shareholders have come onto the register following major shareholder Delta Drone SA (DDSA) materially selling down to under 5% post quarter-end

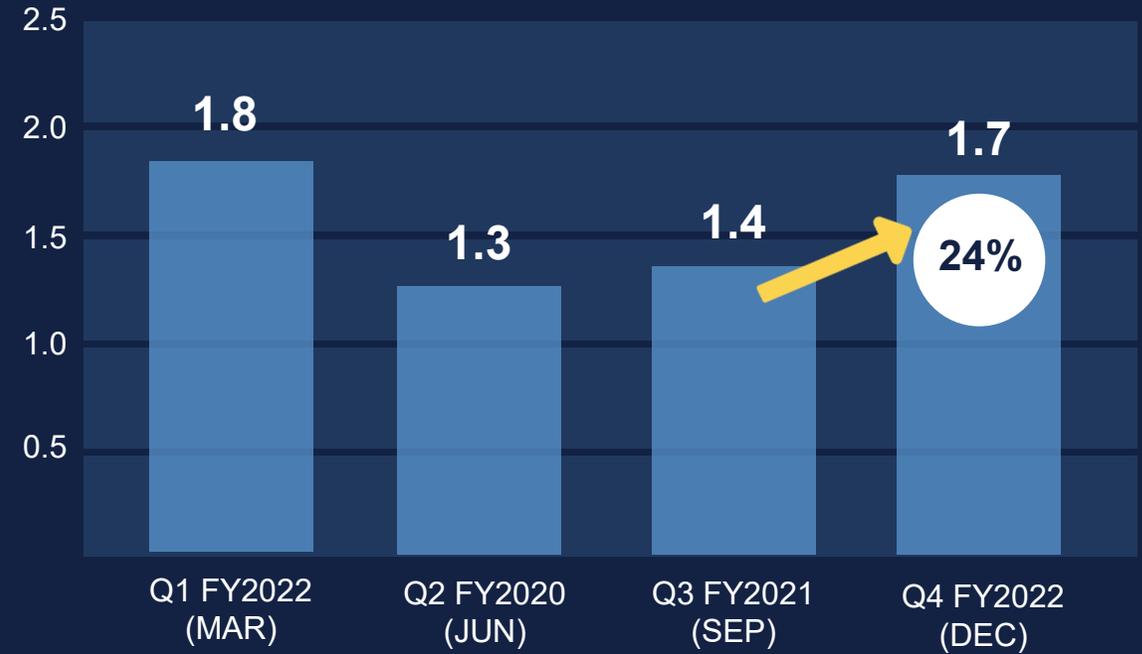
QUARTERLY RESULTS

Revenue & Cash Receipts

Revenue from Continuing Operations (\$M)



Cash Receipts from Customers (\$M)



NOTE:

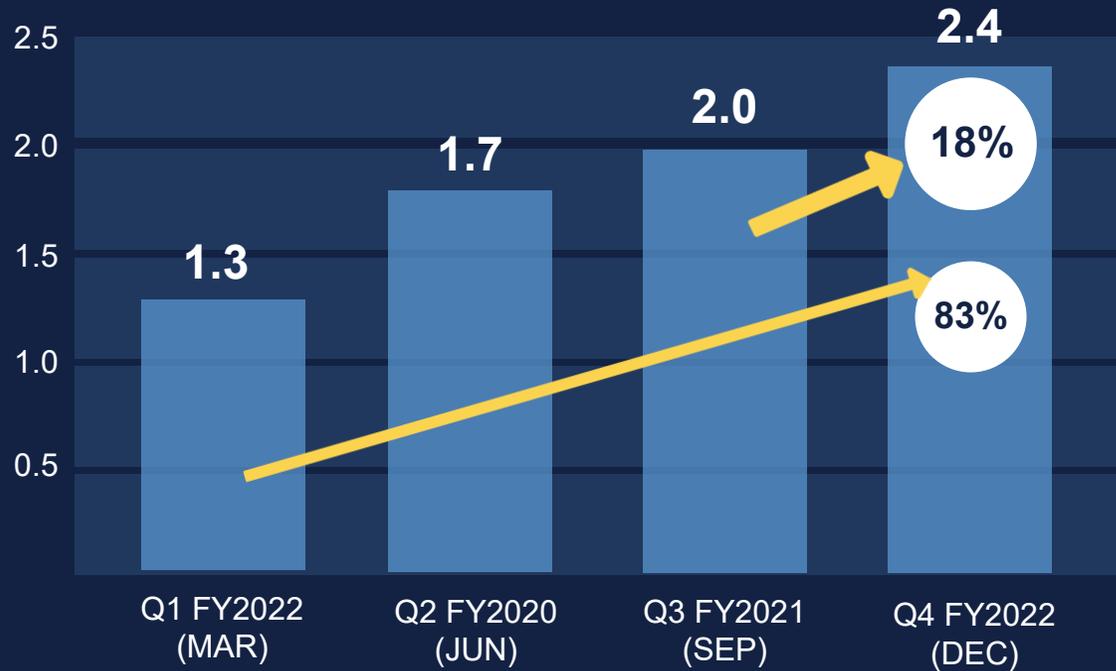
Revenue and Cash receipts are impacted by timing of collections and revenue recognition.

See ARR & TCV slide for definitions | ARR and TCV may be impacted by exchange rate fluctuations |

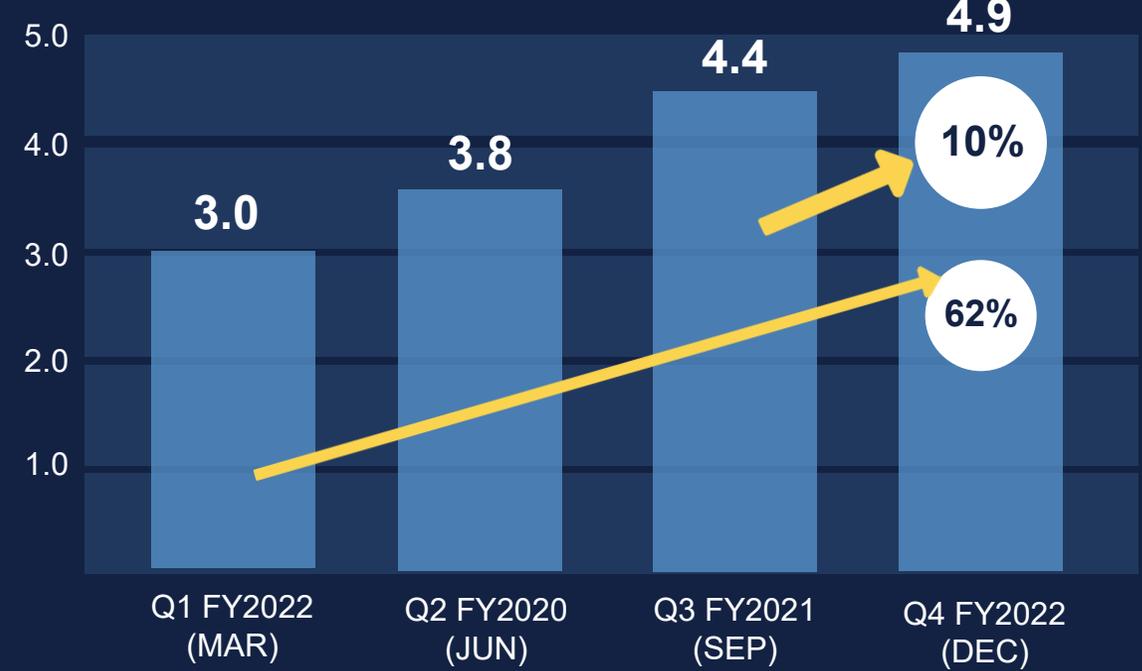
QUARTERLY RESULTS

ARR & TCV

Annual Recurring Revenue (ARR) (\$M)



Total Contract Value - Remaining (TCV) (\$M)



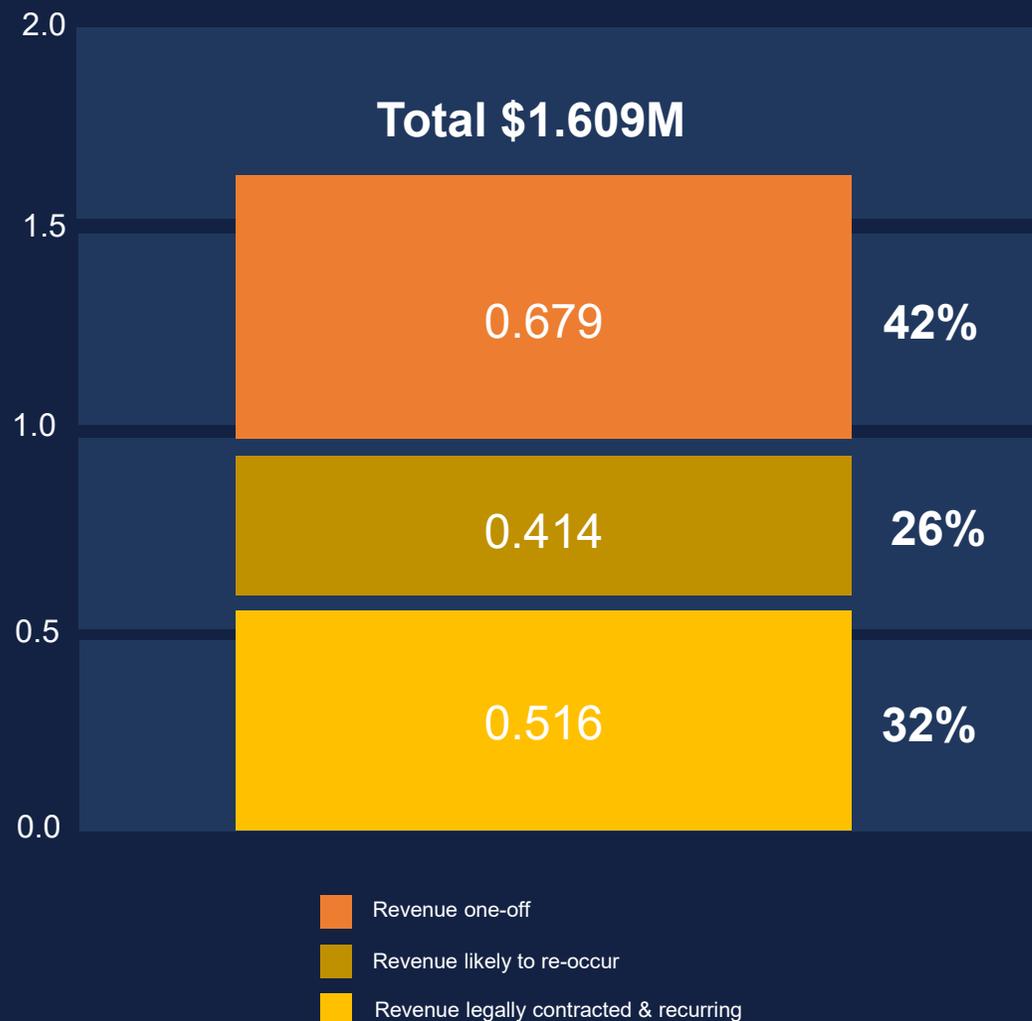
- ✔ Growing the ARR component of overall revenue is a focus of the Company when tendering its services
- ✔ Australian operations accounted for 32% of group revenue in the quarter
- ✔ Multi year contracted revenue accounted for 32% of total revenue in the quarter

- ✔ Two material contracts signed in the quarter
 - Anglo American (Mogalakwena platinum mine) (South Africa)
 - SFTP Mining (Ivory Coast) – 1.5-year contract
- ✔ Two material contracts signed in post December quarter end
 - Vedanta Zinc Int – Black Mountain Mining (South Africa)
 - AngloGold Ashanti – Sunrise Dam Gold Mine (Western Australia)

REVENUE BREAKDOWN

REVENUE FROM CONTINUING OPERATIONS BY TYPE (\$m)

Q4 FY2022 (DEC)



Contracted Annual Recurring Revenue (ARR) was 32% of Total Revenue in Q4 FY2022 (Dec)

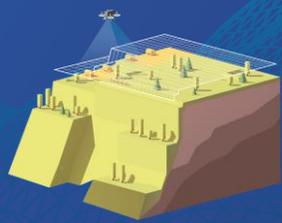
Revenue types

- A) Revenue legally contracted and recurring: revenue from legal contracts with minimum original terms of 12 months, subject to normal termination provisions per each contract. The TCV and ARR measures contain only this type of contract.
- B) Revenue likely to re-occur: revenue which management have a reasonable expectation will reoccur in the future either because it has been historically demonstrated to re-occur or because we hold rolling short term purchase orders or legal contracts which are less than 12 months in original length.
- C) Revenue one-off: revenue which does not meet the above definitions (these are typically one-off short projects) **and can be an early indicator of new contract pipeline, leading to recurring revenue (TCV / ARR) in the future.**

Strategy, Industry & Growth Pathway



BUILDING GEOSPATIAL & AI DATA PRODUCTS FROM MINE TO MILL & BEYOND



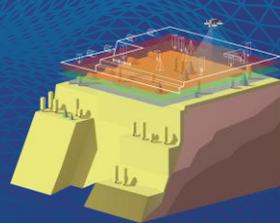
ENVIRONMENTAL

- Pre & Post Disturbance Surveys
- Vegetation Health Monitoring
- Data for Environmental Reporting
- Landform Erosion Surveys



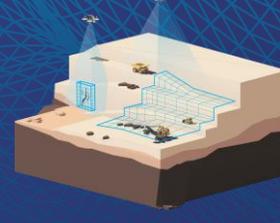
EXPLORATION

- Topographic Survey & Imagery
- Drill-Hole Surveys
- Surface Feature Mapping



SURVEY & PLANNING

- Mine Design Layout
- Stockpile Volumetrics
- 3-D Face Profiles



GEOTECHNICAL

- AI Crack Detection
- Conformance Monitoring
- Pit Wall Monitoring & Mapping



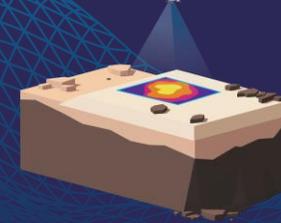
DRILL & BLAST

- Fragmentation & Heave Analysis
- Burden Planning & Reporting
- Vibration Modelling



INFRASTRUCTURE & CONSTRUCTION

- Asset Management & Inspections
- Progress Monitoring & Heat Map Conformance
- Digital Twins
- Thermal Inspection



TAILINGS STORAGE MANAGEMENT

- Embankment Monitoring
- Thermal Leak Detection
- Deposition Analysis

GROWTH PATHWAY

Our focus coming into calendar 2023

BUSINESS MODEL



- ✓ Australia business:
 - Implement new operating model (moving projects to multi-year contracts)
 - Improve margins (Arvista acquired late 2021)
- ✓ Value add service offering and value chain (AI data processing)
- ✓ Unlock value from unique BVLOS* license longer range capability
- ✓ Expand the Agricultural service offering in Australia

CORPORATE & OPEX COSTS



- ✓ Initiatives that bring us closer to break-even
- ✓ Continue to contain & reduce corporate overheads, fees & consulting
- ✓ Incentivise through non-cash mechanisms
- ✓ Improve operational process flows (data capture and processing)
- ✓ Investigate debt-sourced funding for operational 'growth' purposes:
 - Scaling new contracts
 - Hardware purchases to further develop a value added client offering (to complement licensed software)

CUSTOMER GROWTH



- ✓ Quarterly Growth to date has shown a track record of growth which is a function of our strong offering with tier-1 and tier-2 mining client wins
- ✓ Pipeline growing with strong opportunity in Australia and Africa

ACQUISITIONS



- ✓ Pursue opportunities that add value to our business, help us build further economies of scale
- ✓ Industries: mining & agriculture
- ✓ Locations that add value to our business



Contact

Chris Clark
Executive Chairman and CEO
E: contact@dlti.com

Investors and Media
Glen Zurcher
P: +61 (0)420 249 299
E: glen@viriair.com.au

<https://www.dlti.com.au>