



Pointerra Limited

ASX Announcement

30 April 2021

Proposed Acquisition of US Digital Asset Management Business

Pointerra Limited (ASX: 3DP) ("Pointerra"; "Company") has signed a Non-Binding Term Sheet ("Term Sheet") to acquire the business assets and undertakings ("Proposed Acquisition") of US drone-based digital asset management business, Airovant, LLC ("Airovant").

Key Transaction Terms

The Proposed Acquisition is subject to the completion of further due diligence activities and the execution of a formal Business Purchase Agreement between Pointerra, Airovant and the four founders of Airovant.

The Term Sheet contains the following key transaction terms:

1. Upon settlement, Pointerra will issue to Airovant ordinary shares in Pointerra to the value of US\$1 million in exchange for acquiring the business assets and undertakings of Airovant. The number of shares to be issued to Airovant will be calculated based on the Closing Price of Pointerra shares at the date the Business Purchase Agreement between the two parties is executed.
2. Upon settlement, Pointerra will enter into Employment Agreements with the four Airovant founder employees. These Employment Agreements will include the issue of up to 2 million ordinary shares (or equivalent performance rights, or options over ordinary shares) in Pointerra Limited to each Airovant employee, with the shares vesting in three equal tranches of up to 666,667 shares (or equivalent equity instruments) over a three year period on the anniversary of 1, 2 and 3 years continuous employment with Pointerra.
3. Total purchase consideration will comprise US\$1 million in ordinary shares in Pointerra (a portion of which will be voluntarily escrowed for a period of up to 12 months from the date of issue) issued at settlement and up to 8 million ordinary shares (or equivalent equity instruments) in Pointerra issued at settlement but vesting over the three year continuous employment period.



Pointerra Limited

Transaction Rationale

Pointerra's US operation continues to drive growth in the Company's customer base and is well positioned to leverage the rapid adoption of 3D digital asset management technology across the key market sectors of Mapping & Surveying; Architecture Engineering & Construction ("AEC"); Process and Non-Process Infrastructure Assets; Mining, Oil & Gas; Defense; Government and Insurance.

The Company also expects to benefit from investment in domestic infrastructure by US local, state and federal government agencies as part of COVID-19 economic recovery and stimulus initiatives.

In responding to these opportunities, Pointerra continues to seek out and employ high quality individuals across the development and sales teams to provide additional depth and scale in US operations.

Pointerra has been collaborating and working with Airovant to service mutual customers and prospects since the middle of calendar 2020 and during this time it became apparent to both organisations that there was a shared vision for growing subscription based digital asset management platforms (using both 2D and 3D data).

During this time the alignment of culture and ambition by both organisations lead to discussions around the Airovant team joining Pointerra, resulting in the execution of the Term Sheet.

The Proposed Acquisition of Airovant and the employment of the four founders will deliver a step-change in the dimension and scale of Pointerra's US operations in the important AEC, facilities management and energy utilities markets and is expected to help shorten the sales cycle in these key market sectors, driving growth in the Company's Annual Contract Value (ACV) metric.

The business assets and undertakings of Airovant proposed to be acquired by Pointerra include existing customer contracts and relationships as well as intellectual property in the form of technology applications for the extraction of actionable digital asset management information from drone-based 2D data.

The parties plan to integrate elements of Airovant's existing cloud digital asset management platform (AIROPORT) and underlying 2D data analytics technology stack into Pointerra's cloud platform, with Airovant's IP delivering a new 2D imagery layer and augmenting Pointerra's existing Data as a Service ("DaaS") and Analytics as a Service ("AaaS") solutions.

Subject to the completion of due diligence activities, Pointerra expects that the contribution made by Airovant's business will be both cashflow and earnings accretive in FY22 and should also deliver an initial step-change uplift in Pointerra's regularly reported ACV.



Pointerra Limited

About Airovant

Airovant was formed in 2017 by founders Jonathan Montague, Matthew Boyd, Logan McConnell and Ori Paamoni and the team came together after founding, scaling and exiting similar businesses in the high-growth US geospatial sector.

Airovant (<https://airovant.com>) provides digital DaaS solutions to its customers through proprietary workflows using a cloud-based platform, delivering insight derived from deep subject matter expertise. Airovant's core business is providing these DaaS customers with a digital representation of their worksite and assets through a proprietary cloud portal called AIROPORT.

Airovant's subscription and other recurring data service agreements with customers delivers actionable intelligence for decision making over the lifecycle of assets, facilities, and construction sites using 2D imagery and a range of 3D data sets.

Airovant's annual (unaudited) revenue has averaged US\$1.4m over calendar years 2018, 2019 and 2020 and the business has been both cashflow and earnings positive during this time.

Next Steps & Settlement

Pointerra is in the process of completing all necessary due diligence activities, including the preparation of a Business Purchase Agreement and expects to be in a position to sign the Business Purchase Agreement during the month of May with settlement likely to be effective during June 2021.

Management Comments

In commenting on Pointerra's the Proposed Acquisition, Managing Director and Co-Founder Ian Olson commented;

"We are delighted to have identified in Jon, Matt, Logan and Ori a team of like-minded professionals who share our vision of helping customers solve real-world asset management problems by re-imagining the way geospatial data is leveraged into actionable information.

Attracting the Airovant team to potentially bolster our US and global operations will also deliver new customers, revenue and ACV contribution – we couldn't be happier with the potential acquisition."

Airovant's CEO and Co-Founder Jonathan Montague added:

"Airovant is thrilled with the opportunity to join the Pointerra team and combine our product lines. Increasingly, critical business decisions are made using digital asset data, which requires an easy to use yet powerful platform solution to enable all stakeholders to make informed decisions around their operations.



Pointerra Limited

Pointerra's platform technology truly enables the digital experience for asset management that is increasingly performed leveraging remotely accessed solutions in a safe and effective manner. Across multiple verticals, our customers will benefit from the increased capability and expanded feature-sets adding deeper value to their businesses. The integration of Airovant's core founder team with Pointerra will also synergistically accelerate the growth of segment-specific data solutions within the Pointerra ecosystem."

This announcement has been authorised and approved for release to the ASX by the Board of Pointerra Limited.

ENDS

For personal use only



Pointerra Limited

For more information, please contact:

Ian Olson
Managing Director, Pointerra
+61 417 998 328
ian.olson@pointerra.com

About Pointerra: Pointerra is an Australian company focussed on the global commercialisation of its unique 3D geospatial data technology. Pointerra's technology solves entrenched problems associated with digital asset management workflows and allows very large 3D datasets to be managed and analysed without the need for expensive and time-consuming high-performance computing. 3D data is processed and stored in the cloud by Pointerra for instant, on demand user access: anytime, anywhere, on any device – providing actionable 3D information to power digital asset management solutions across a range of sectors.

Common Q&A's about Pointerra:

1. **What do we do?** We manage, analyze and monetize other people's 3D data for them.
2. **How do we make money?** People pay us to manage their data, to develop or source analytics to make sense of their data and they even share revenue with us when we help them to monetize their data.
3. **Why do people need us?** 3D data is hard to manage, use, analyze and share. We have proprietary (patent protected) IP that enables us to do what we do better than anyone else.
4. **Do we have competitors?** There are lots of desktop solutions for 3D data and fewer cloud solutions. Most cloud solutions focus on visualization but the 3D data isn't readily analyzed - either quickly and efficiently or at mass scale. Our IP allows us to do this better than anyone else – faster, with more accuracy and at lower cost.
5. **Who are our customers?** Anyone who is engaged in capturing (surveyors, drone operators, aerial and satellite mapping) or using (AEC sector, asset owners/operators/insurers/regulators) 3D data to plan, design, construct/build, operate, maintain, insure and govern/regulate a physical asset.
6. **What sectors do our customers operate in?** Linear infrastructure (road/rail/pipeline/transmission/distribution), non-process infrastructure (civil and built-form) and process infrastructure (mining/oil & gas/industrial manufacturing plant).
7. **How much do people pay us?** Our Data as a Service (DaaS) solution to manage 3D data using our digital asset management platform is priced based on the amount of data (in terabytes) we are hosting and the number of users each customer requires. We also charge customers to process their data (Data Processing as a Service or DPaaS), build/deploy analytics (Analytics as a Service or AaaS) to interpret their 3D data and, where we connect buyers and sellers of 3D data, we typically agree a revenue share via our 3D data marketplace.

Pointerra's vision is to create a global marketplace for 3D data, saving users time and money and creating a 3D data access revolution. Pointerra: 3D Data Solved.