

# Quarterly Sales Update

For the Period Ending 31 March 2018

9 April 2018

## Quarter highlights

- **Accelerating sales run rate** - Reflecting a growing pipeline and sales team
- **Successful integration of Odotech** - Canadian and Chilean operations have been fully transitioned into Envirosuite
- **Platform migration completed on time** - The Odotech platform solution (Odowatch) is now integrated into the Envirosuite platform to create a new world-leading offering combining the best features of each solution
- **New market opportunities** identified in the Middle East and Latin America

New Envirosuite contracts signed:

Client	Sector	Location
Thames Water Camberley	Wastewater	UK
WA Port Authority	Ports	Western Australia
Organic Waste facility	Composting	NZ
Goldcorp	Mining	Mexico
Fort Worth	Wastewater	Texas, USA
Morris Forman	Wastewater	Kentucky, USA
Major Regulator	Regulatory	USA
SCAQMD	Regulatory	California, USA
Middle East Govt (trial)	Regulatory	Middle East

As well as the new project wins listed above, the following clients have re-committed to the Odowatch platform since Envirosuite acquired Odotech Inc in December. This is the first step in the migration of these clients to the Envirosuite platform:

Client	Location
City of Ottawa	Ontario, Canada
City of Montreal	Quebec, Canada
Cedar Grove, Ontario	Ontario, Canada
Metro Vancouver	British Columbia, Canada
City of Edmonton	Alberta, Canada
Envirosolutions	Kentucky, USA
Trinity River Association	Texas, USA
Hinton Pulp	Alberta, Canada
Rhode Island	New York, USA

## Note from the CEO

The March quarter has been transformational with the consolidation of operations across the group. This has involved the engagement of new sales people in our target growth markets with strong B2B software sales backgrounds, as well as the integration of the ex-Odotech offices in Canada and Chile. We have integrated a new automated marketing system (Pardot) with our customer relationship system (Sales Force) empowering our sales people to run their own targeted marketing campaigns. This has already shown early success in generating new sales leads at a faster pace than previously possible. The sales pipeline continues to grow and we're now starting to see this translate to an increase in the rate of sales completions.

From a sales and marketing perspective, the Company has never been as well positioned as it is now. We have a proven, leading edge technology platform, and during the quarter we completed the establishment of sales teams in our three target markets (Europe and Middle East, the Americas, Asia Pacific). It is expected that it will take another quarter for our new sales people to gain proper traction, however we are already seeing positive signals in our sales momentum.

Odotech clients have responded very positively to Envirosuite as they recognise the superior functionality of the Envirosuite platform. We have completed the integration of the platforms, resulting in a newly released Envirosuite incorporating the best features of each solution - Odowatch and Envirosuite.

There are approximately 60-70 existing clients on the legacy Odowatch platform and we intend to migrate the majority of these to Envirosuite over the course of the calendar year. We will continue to produce the Odotech specialised equipment (an e-nose, or "electronic nose"), as this has already proven a strong marketing channel for Envirosuite sales.

During the quarter new markets have been identified in the Middle East and in Latin America. through Odotech's involvement in three different opportunities in the Middle East. These opportunities contemplate larger integration projects that would have the Envirosuite platform at their core. As noted in the selected contract wins below, we have already secured a trial in the Middle East for a city-wide environmental platform that is expected to run through until August 2018.

Through our new office in Santiago we intend to launch sales campaigns focused on the Mining, Wastewater, and Agriculture sectors in the Latin American market to capitalise on the signature clients (such as the Cerrejon mine, Columbia) and growing interest in Envirosuite that provides a compelling launch case into this region.

## Research and Development

Although market-ready and well ahead of direct competitors we continue to evolve the Envirosuite platform and we are pleased to advise that we have been selected to participate in a research project with United Utilities in the UK. This project has the potential to extend Envirosuite's functionality into reporting on and helping to manage the effect of corrosive pollution in the wastewater facilities, which is one of the major facility expenses for operators globally.

## Selected contract wins this quarter

### North America

#### Ground-breaking project with federal government in USA

A federal government agency in the USA has signed on to Envirosuite for a ground-breaking new regional-scale project. This project is in an industrial area that faces challenges related to the control of ozone and exposure of local communities to various pollutants. Within the area there is a concentration of large industrial facilities, each of which is a potential Envirosuite client.

This federal agency is looking to develop new sensor and modelling approaches that can assist facilities in detecting and mitigating fugitive air pollution sources from the group of facilities in the area.

#### Fort Worth City Municipal Wastewater Plant, Texas

This major city in Texas has selected Envirosuite to monitor odour emanating from its wastewater treatment plant and manage the impact on the surrounding community.

This will be the first facility where the Envirosuite platform is to be integrated with the Odotech e-nose equipment. This system will act as the forerunner for the many Odotech client sites that are targeted for a migration to the Envirosuite platform.

#### Goldcorp, Mexico

This leading producer of gold in México operates one of the biggest open pits in the country. Our partner BlacktoGreen proposed the Envirosuite solution to the mine to assist in assessing potential dust impacts from their operation and allow their operational team to evaluate and manage risks in advance.

#### South Coast AQMD

The air quality management district for Los Angeles has signed a new contract in addition to their existing subscriptions to allow for continuous monitoring of their regulatory network. The solution will enable a new level of monitoring, analysis, investigation and reporting to deliver improved air quality outcomes for people in the South Coast Air basin.

### Europe and the Middle East

#### Third Site at Thames Water

In addition to the two existing sites, a third Thames Water site has implemented Envirosuite. The site has experienced ongoing complaints relating to odour that they cannot seem to correlate with operational activities. The site operator has been spending significant time and money attempting to validate whether these complaints are legitimate.

Envirosuite will assist the site with identifying the source of these complaints and managing the associated workflow. The solution enables real-time data visualisation of the site's environmental impact and models the influence of forecast weather conditions around their operational thresholds.

## **Middle Eastern Government**

A Middle Eastern government, having been impressed with the Envirosuite software platform, has requested a trial that will last for the four hottest months from May to August, to allow for testing of the monitoring hardware in extreme environmental conditions. It covers city-wide monitoring of air quality and odours, and investigation of complaints and pollution levels that exceed defined thresholds.

## **Asia-Pacific**

### **Western Australian Port Authority**

A port authority in Western Australia has signed on to Envirosuite to enable it to stay within its environmental licence requirements through keeping up-to-the-minute data on operational status and performance, as well as supporting its regulatory reporting requirements.

Envirosuite will also assist with a system to manage the port's interaction with the community that will allow the client to generate a backwards trajectory model for a past time period. Using on-site weather data, this solution generates a model to identify the source of a complaint immediately, and this data is used for investigation as well as historical and reporting purposes.

### **New Zealand's main provider of organic waste**

Similarly, a major provider of organic waste processing services in New Zealand has recently signed on to enable source identification to assist in proactively engaging with their community stakeholders. Envirosuite has been integrated with the client's database to enable the recording of complaints, the likely causes and the actions taken to address the issue.

For further information please email [investor@envirosuite.com](mailto:investor@envirosuite.com)