

EnviroSuite Investor Presentation

October 2016



Pacific Environment
Limited 
Applied Science and Technology

Overview of Pacific Environment

Pacific Environment Consulting

Business: Leading Australian environmental consultancy specialising in air quality and water

Operations: Australia-wide with offices in Brisbane, Sydney, Newcastle, Melbourne, Adelaide, Perth, Gladstone

Clients: Major Australian corporates and government

EnviroSuite

Business: Unique environmental SaaS technology platform providing decision support

Operations: Based in Sydney, operating globally through a network of international partners

Clients: International corporates and governments in Europe, Asia, North and South America

Snapshot

ASX Ticker:	PEH
Shares on issue:	197.6m
Market capitalisation:	c.\$20m ^(1.)
Share price (LTM high/low):	8.1c/22.0c
Issued options:	47.4m ^(2.)
Convertible Notes:	0 ^(3.)
Net cash (30 June 2016):	A\$1.3m

Board

Robin Ormerod, Managing Director

Adam Gallagher, Director and Company Secretary

David Johnstone, Non-executive Chairman

(1.) As at mid October 2016

(2.) Various options with strike price ranging from \$0.025 - \$1.50 with expiry dates ranging from 8/5/2017 to 4/2/2021

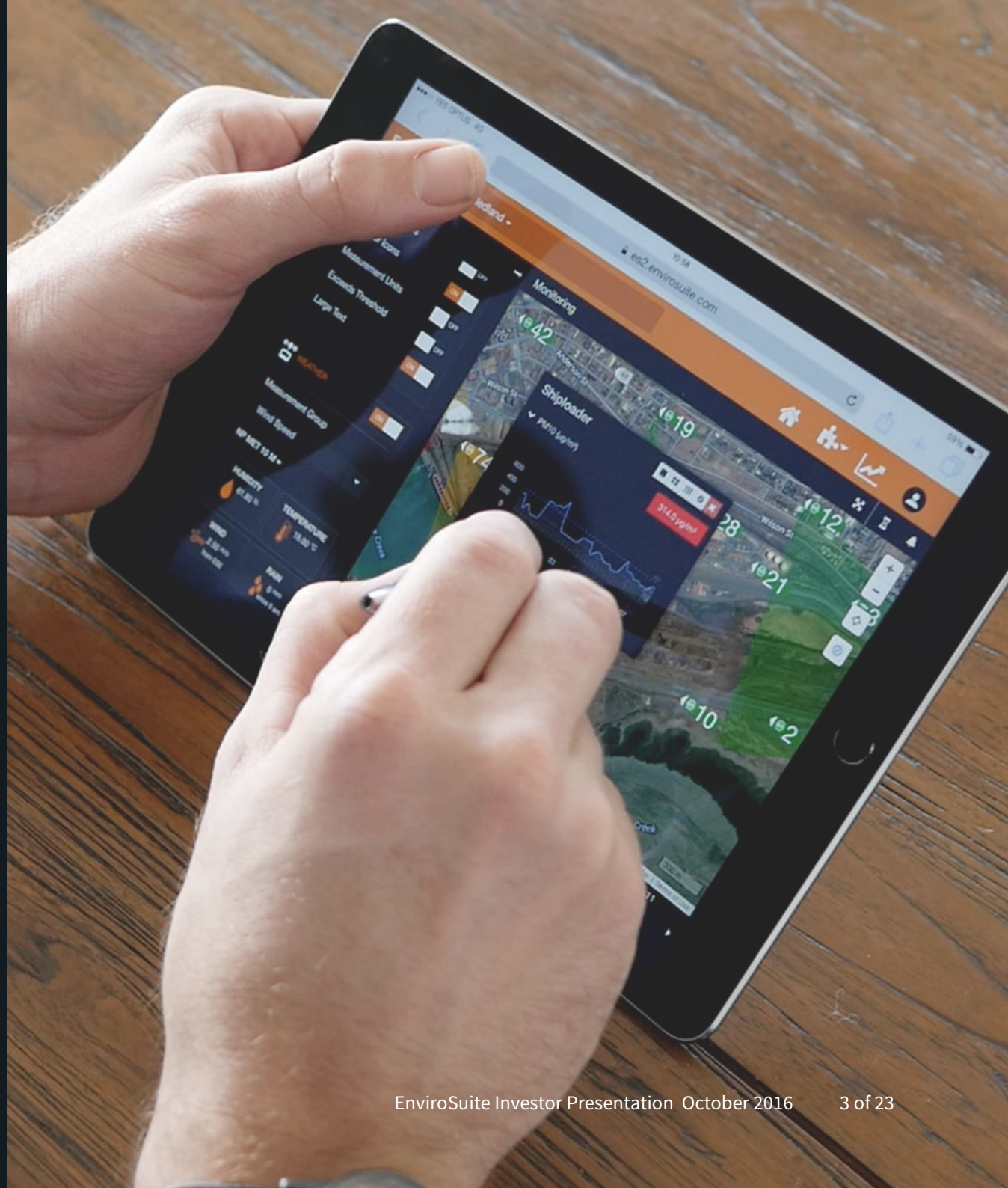
(3.) All outstanding convertible notes were converted in October 2016

What is EnviroSuite

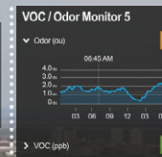
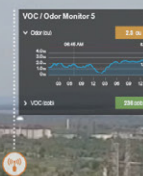
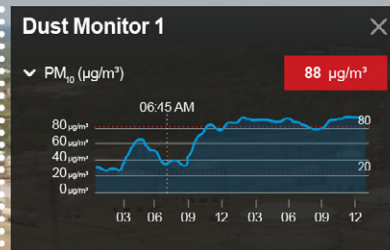
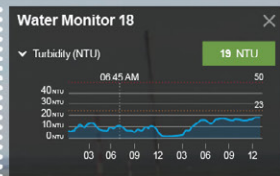
A SaaS Decision
Support Platform

Delivering mobile
24/7 intelligence

To over 30 clients
around the globe



A Decision Support Platform



ADVISORY

Monitor 24. +72 hours

High levels of VOCs combined with SE winds. Advise shut down of stack 2.

OK

Value Proposition

Globally, there is no competitive product applicable to the full range of applications and functionality that EnviroSuite provides.

- ✓ Reduce corporate risk – “finger on the pulse”
- ✓ Monitor environmental status with greater clarity
- ✓ Achieve and demonstrate compliance at lower cost
- ✓ Plan future operations more certainly and efficiently
- ✓ Respond to incidents more effectively
- ✓ Improve stakeholder relations – “good corporate citizen”

Why EnviroSuite is Leading

The typical competitor only offers measurement and reporting, often after the event

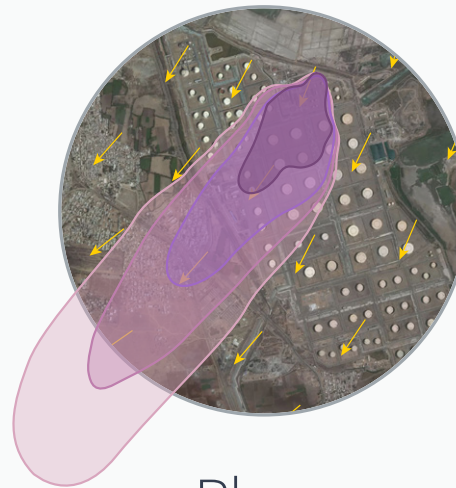


Respond:

Real-time operational monitoring

Instantaneous alerts

Enables operators to avoid costly and damaging environmental incidents.

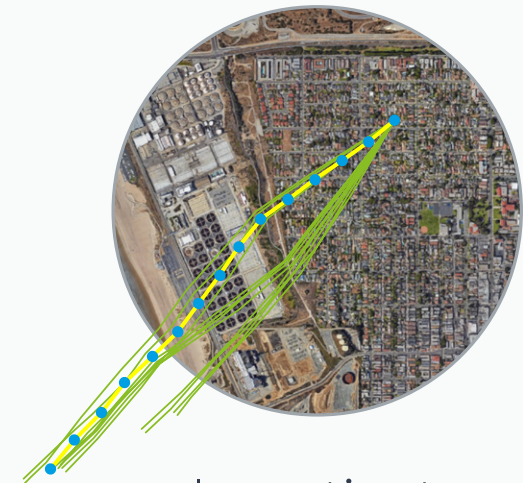


Plan:

Predictive capabilities

72-hour outlook

Enables planners to optimise their work schedules



Investigate:

Source Identification

Analyse Events

Allows operators to pinpoint the sources of issues for events – both in real-time and historical

EnviroSuite Modules

Breadth of solution increases EnviroSuite relevance to clients.
Competitors typically supply just one module.



Customised
Weather Forecasting



Air Quality and
Odour Management



Noise
Management



Blast
Management



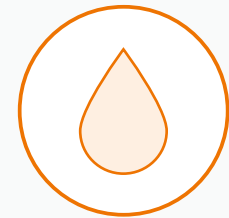
Environmental Data
Management



Incident Investigation
and Community
Engagement

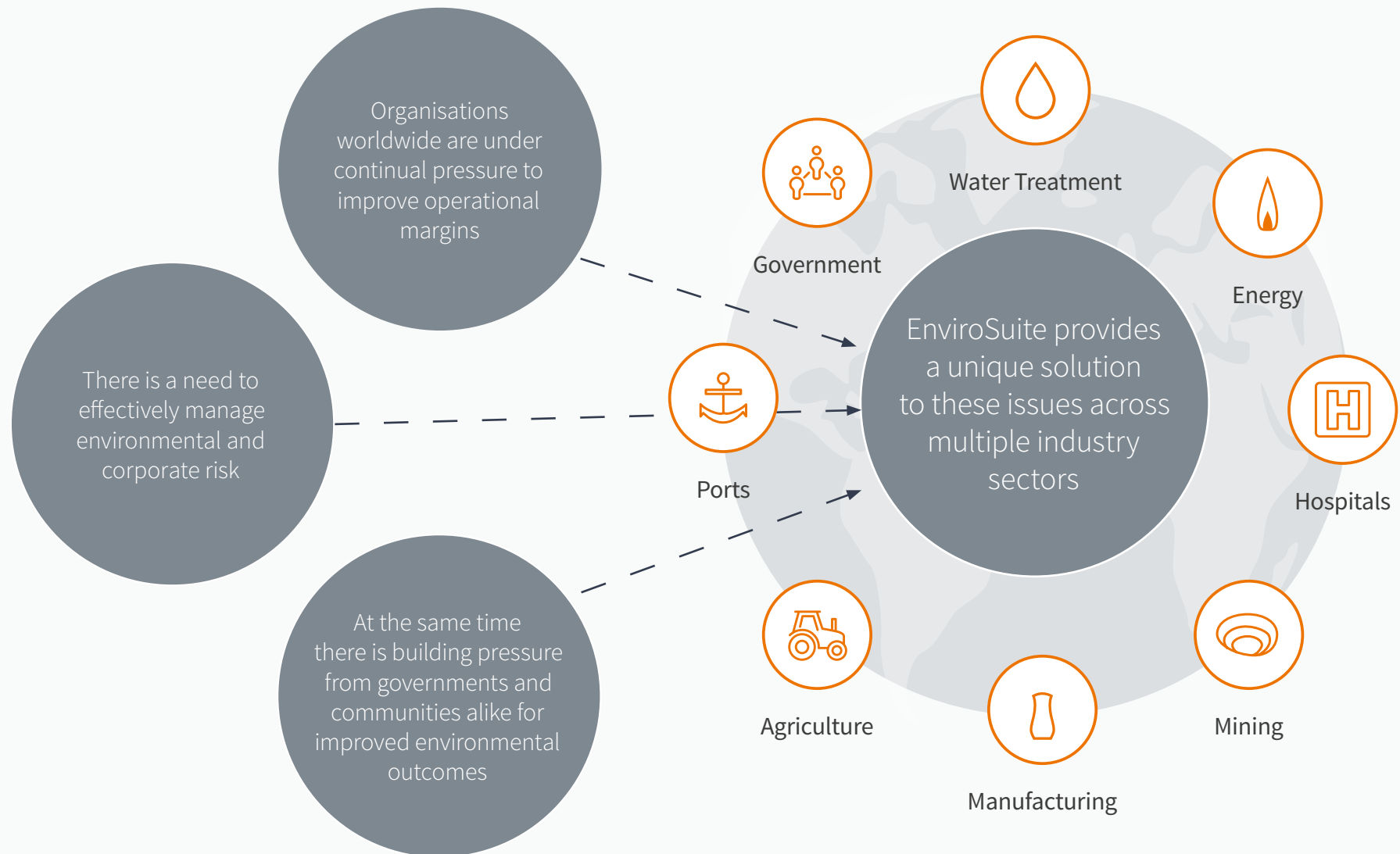


Environmental
Compliance Reporting



Water
Monitoring

Global Market Opportunity



Market Sizing

Out of the US\$900+ billion environmental technology market, EnviroSuite addresses a market of US\$3 to \$4 billion.

Facilities	Global Clients	Existing Clients
 Bulk Ports	c. 1,800	8
 Operating Mines	2,500+	19
 Heavy Industry	5,000+	4
 Wastewater Treatment	7,000+	3
 Government	Very Large	1
Other	12,000+	6

Typical EnviroSuite sale is \$60 - \$80,000 per site per annum

Global clients rely on our technology





Global Partners

Focus is on accelerating sales

Recent sales (September 2016) in Europe and North America
illustrates success of our partnership strategy

Current Resellers and Partners



UK, France, Spain



Global



Spain, Mexico



USA



USA



Malaysia



Singapore

We are making strong progress...

Clients

Wins with clients across the globe (including three major clients announced in September)

Partnerships

Extended partner network including into the USA

Trials

Highly significant trials underway with Thames Water UK and leading US environmental regulator South Coast Air Quality Management District (southern California)

Organisation

Streamlined organisation with smaller corporate overhead and focus on EnviroSuite

Growth - Recent Case Studies

Example client wins in September, 2016

Client	Wastewater treatment authority	Major gold mine	Iron Ore Mine
Country	Spain	Mexico	Australia
ES Partner	Odournet	Black to Green	Direct
Issue	Expansion on a very constrained site – community odour impacts	Operational management, community impacts	Compliance, offsite impacts
ES Solution	Monitoring, Odour Risk Forecasting, Modelling and Management	Weather Risk Forecasting	Monitoring



Case Study SCAQMD

SCAQMD is widely regarded as the leading air quality regulatory agency in the US. It works with California Air Resources Board (CARB) and the US EPA to enforce the Federal Clean Air Act.

SCAQMD is the air pollution agency for all of Orange County and urban portion of Los Angeles, Riverside and San Bernadino counties.

- South Coast Air Quality Management District (SCAQMD) is currently trialling EnviroSuite
- **Outstanding reference client**
- Involves 33 air quality monitoring stations
- Includes Monitoring, Forecasting and Incident Intelligence Modules

EnviroSuite Architecture & Business Model

EnviroSuite Architecture

- Cloud Solution (Amazon)
- Scalable & Modular
- Mobile
- Easy to use interface

Delivered as SaaS

- Software as a Service
- Monthly subscription per site per module
- Pricing based on number of modules
- Typically \$60-\$80,000 per annum per site

Importantly, the sales approach is now moving from a site-by-site approach to the corporate level where one sale leads to many sites

FY16 Results

	2016 \$'000	2015 \$'000	Variance to prior year	
			\$'000	%
Operating revenue	17,832	15,910	1,922	12
Revenue – continuing operations	17,832	14,805	3,027	20
Revenue – discontinued operations	-	1,105	(1,105)	(100)
Attributable (loss)/profit after tax	(1,606)	1,407	(3,013)	(214)
(Loss)/profit from continuing operations after tax	(1,606)	1,822	(3,428)	(188)
Loss from discontinued operations	-	(415)	415	(100)
Net margin (%)	(9%)	9%	-	(18)
Basic (loss)/earnings per share (cents)	(1.1)	1.3	(2.4)	(184)
Net operating cash inflows	774	929	(155)	(17)

Highlights



Outstanding
cloud-based platform



Massive IoT Market
Opportunity



Pure SaaS
Revenue Model



Global Clients



Rapid Growth



Global Partnerships

For further information:



Robin Ormerod
Managing Director

Phone: 02 9870 0950

Email: robin.ormerod@pacific-environment.com



Appendix

Four Case Studies & Recent Wins

Sectors:



Wastewater



Industrial



Agriculture



Mining

Geography:



UK



Indonesia

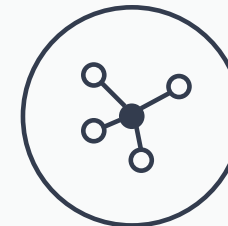


Australia

Distribution:



2 direct sales



2 through resellers



Case Study

Thames Water

Optimising Activities for Odour Management

Sector:
Wastewater treatment

Channel:
Odournet (UK)

EnviroSuite Modules:
Monitoring
Modelling
Incident Investigation

Client Problem:

Traditional approaches do not provide adequate understanding of odour impacts on local communities and do not integrate with operational responses for odour management. This situation can have an adverse effect on social licence to operate.

Solution:

Integrated IT/OT System for Proactive Management and Decision Support enabling alternative operating options rather than expensive engineering controls. Initial contract covers two sites for a period of one year for a project fee of \$300,000. Future potential at Thames may be for 30 plus sites.



Case Study

Global Resource Company

Improving Health Risks to Community

Sector:
Refinery

Channel:
ESC (Singapore)

EnviroSuite Modules:
Monitoring
Modelling
Incident Investigation

Client Problem:
Impacts of sulphur dioxide (SO₂) on
nearby community.

Solution:
Forecast potential off-site impacts
by linking with facility operating
scenarios to plan operations better
and prevent problems.



Case Study AJ Bush

Innovating Water Quality Management

Sector:
Agribusiness
Channel:
Direct

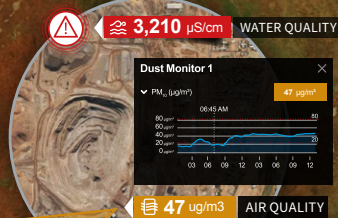
EnviroSuite Modules:
Water Management
Monitoring

Client Problem:

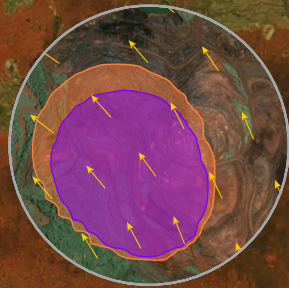
Traditional environmental management approaches are costly and operations are uninformed during the significant time lag to receive results.

Solution:

System for real-time monitoring, forecasting and reporting surface and groundwater conditions – lowering costs and enabling dynamic management measures to be used.



Monitoring



Blast Management



Incident Investigation

Case Study

Three adjacent coal mines (NSW)

Managing Cumulative Mining Impacts

Sector:

Mining

Channel:

Direct

EnviroSuite Modules:

Monitoring

Modelling

Incident Investigation

Blast Management

Client Problem:

Regulatory compliance requirements for cumulative air quality management system.

Solution:

System using predictive forecasting and real-time modelling and monitoring to better inform mine planning to ensure environmental compliance whilst optimising mining activities.