

AEERIS LIMITED

29 January 2021

Quarterly Activities Statement for the period ended 31 December 2020

Cash inflows from operating activities \$581,209**Quarterly Highlights**

- Cash Inflows from operating activities \$581,209
- Receipts from Customers \$502,687
- **Net Cash from operating activities \$115,788**
- Cash and cash equivalents at quarter end \$1,242,048

Quarterly Commentary

Aeeris Limited (ASX:AER) is pleased to provide an overview of its quarterly activities for Q2 FY2021.

The Company's cash position continues to improve, despite a substantial increase in R&D expenditure, as new customers are onboarded. New customers include Chubb Insurance, Comminsure, Transport NSW, Hireup and Life without Barriers amongst several others. Numerous customers renewed their contracts during the period; none were lost. NBN added additional services.

New enquiries are increasing while the Company continues to convert a quality pipeline of prospects. COVID-19 and an escalating regulatory response by authorities regarding climate change have clearly intensified companies' sensitivity to risk and their need to respond.

Operations

Resilient Annuity Revenue: Aeeris's revenue is driven by its monitoring and alerting services covering imminent risks such as weather, fire, and other natural hazards. This revenue is annuity based and delivered from a fixed-cost base. New customers are added with minimal additional expense for the Company.

Consequently, Aeeris has been able to shift expertise and investment into the research, development and data mapping which forms the core of its new climate risk platform. R&D activity has been expanding since 2019.

New Hail Alert System: In addition to the development of the Company's new Climate Risk offering, Aeeris has introduced a new hail alert system. This system takes advantage of high-resolution volumetric radar data which provides the size of hail within a storm, direction, and a forecast track map. This is an entirely new dimension of data not previously available and has already been deployed for an automotive

client. The system alerts the Company's operational staff when the algorithms detect 2cm + hail from the volumetric radar data. After verification, alerts are sent to those either in the impact area or requiring notice of a particular location being impacted.

Alerting Operations: La Nina is still active in Australia with heavy rainfall expected to continue and increased tropical cyclone activity. The latter will push even heavier rainfall to the mid latitudes. Aeeris's flood alert and monitoring teams are on constant standby to provide advanced warnings of events to customers.

Bushfire events are down except for in WA. Severe Thunderstorms and hail are an ever-present risk.

New Initiatives

Scale Opportunity: The Company's cash position, operational performance and IP have combined to present the opportunity for it to substantially scale through delivery of its new cloud-based Climate Risk Analysis (**CRA**) platform. Aeeris has invested heavily in R&D to optimise its data sets to develop a new product that is positioned to provide quantitative and probability-based assessments of physical and chronic climate risk. Aeeris expects to be in a position to update the market on this product within the next quarter and to quantify the "Total Addressable Market" metrics.

ISO certification 27001: Aeeris is presently undergoing ISO certification 27001 which it aims to complete before the end of FY21. This certification is in response to the demands from larger corporations observing global regulatory requirements and will be a strong endorsement for launching the Company's CRA Platform. Services provided to large corporate and government entities continue to grow and relevance to critical risk management is increasing with this growth.

Business Activities and Expenditure

Payments made to related parties during the quarter were directors' fees and consultancy expenses.

Excluding costs related to data generation (climate risk analysis team), the business has invested a further \$150,000 in R&D, bolstering software development, data science and meteorology work. In real terms Aeeris continues to invest half its effort towards its future with a steady \$160,000 spent on alerting, monitoring and customer support within each quarter.

D&O and general insurance costs have increased substantially and, as described previously, additional expenditure includes the website build, ISO certification and Climate Risk R&D.

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

- ENDS -

Direct Enquiry

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About Aeeris

Aeeris Limited is a leading geospatial data business. The Company's **Early Warning Network** system and proprietary **GNIS** technology platform ingests and maps vast amounts of live data from multiple sources regarding severe weather, fire, traffic, and other geospatial hazards.

The technology allows us to track and monitor very large numbers of users, assets and operations. Risks are communicated instantly over multiple channels to those that need it, where and how they want it.

Our technology enables Aeeris to provide critical services to our enterprise and government customers:

- Live data, content, alerts and notifications on natural and man-made hazards affecting our clients, including severe weather, fire and traffic conditions, with our products **All Alerts™** and **Situation Room™**
- Pioneering innovative systems and apps to digitally track, monitor, map and protect workers and assets on the move

Our technology solutions provide many benefits to our clients including the ability to:

- Monitor, map and track staff, contractors, assets and operations
- Communicate with multiple staff regarding live safety hazards in real time
- Improve Workplace Health & Safety, and reduce risk and liability
- Manage, mitigate and report on risk
- Improve operational efficiencies, labour scheduling and asset management

Our product offerings solve natural disaster awareness problems and promote personal and employee safety, asset protection, risk management, as well as helping to mitigate the financial impact of adverse events, geospatial hazards, personal injury, workplace safety, security breaches, fraud and inconvenience.

Aeeris is listed on ASX with the ticker code AER

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