

## Market Update: Revenue Growth and Business Development Update

ASX Release:

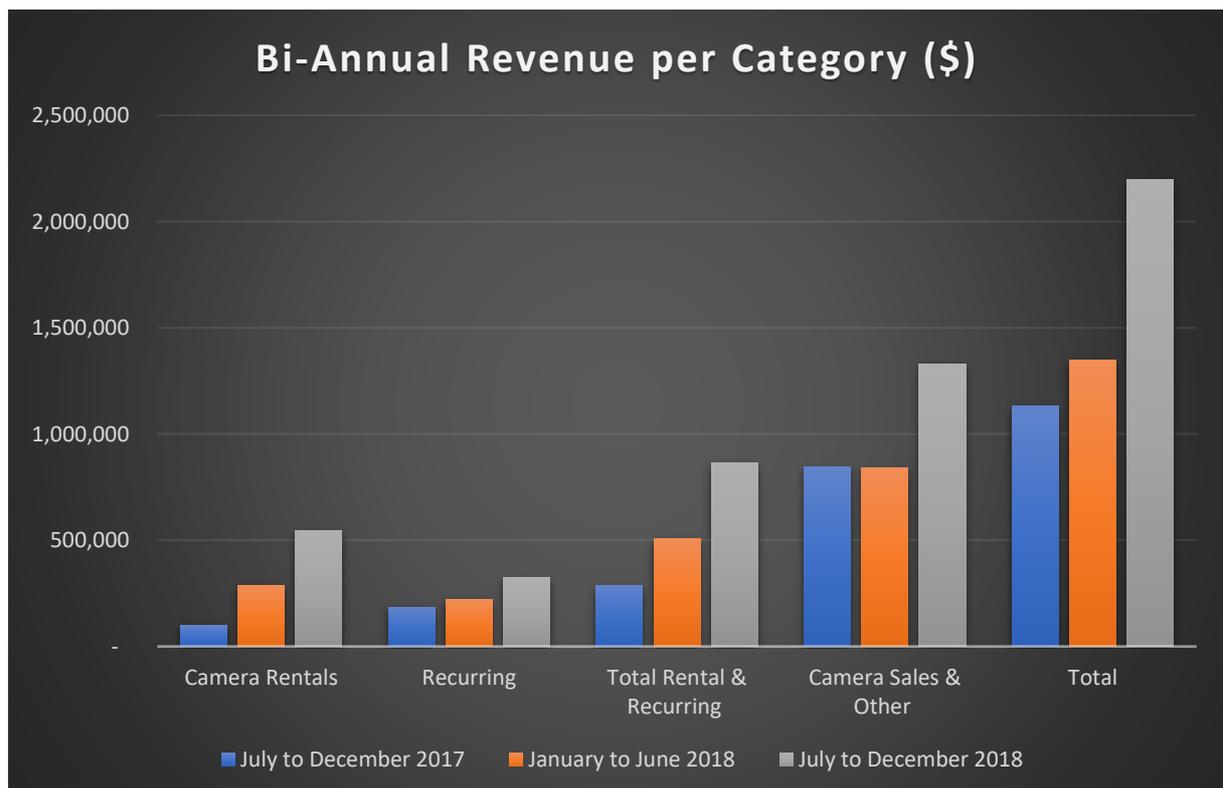
### HIGHLIGHTS:

- The Company achieved another million dollar plus revenue quarter
- Maintaining margins of around 60%
- Revenue growth of over 90% in comparison to the same six-month period last year
- Camera rentals increased over 400% over the same period
- Total recurring revenues up over 200% over the same period
- Growing momentum with Shark Alert Systems with further Local Government and now State Government interest
- Increasing number of customers in local government with sales growing in this area.

**21 January 2019:** Australian-based remote security monitoring systems and cloud based technology solutions company ('Spectur' or 'the Company') (**ASX:SP3**) is pleased to announce the following market update for the December quarter.

### Revenue growth accelerates

The Company is pleased to announce that it achieved another million dollar plus revenue quarter and is showing a 90% increase in revenues for the half year to 31 December 2018 compared to the same 6 monthly period for the prior year. Camera rentals are showing strong growth, as are recurring revenues. Margins remain steady at around 60%.



## **Shark Warning System**

In the prior quarter the Company released its new Shark Warning System. This is a stand-alone, solar powered warning system that is controlled via the customer's access to the Cloud Platform. Initial trials at Augusta Margaret River on two world-famous surf beaches have also been extended to adjacent local government, The City of Busselton. Spectur is in negotiations with several other WA local authorities and now also the WA State government. Once initial trials are complete, the Company is confident that an increased roll-out of the systems will materialise.

Spectur is also collaborating in a partnership with drone technology company The Ripper Group ("TRG") to provide joint solutions for beachside warning systems. TRG are the Drone research partners for Surf Life Saving Australia and are developing new technology trying to minimise the drownings on our beaches. Westpac have rolled out their national Westpac Lifesaver Rescue Drone program that will extend to 50 beaches this year.

TRG have worked with Westpac to develop the technology over the past 3 years and believe that the Spectur system is a vital addition to the program in a drive to making our beaches safer. The Ripper Group are also rolling out their shark spotting drones in selected locations in the US, which could provide an opportunity for the international deployment of Spectur systems.

## **Sales to Local and State Government**

Spectur is also increasing its sales into local and state government bodies across Australia.

The ACT state government has been running a trial of 10 Spectur systems, where CCTV monitoring is required in temporary or remote locations. The units have been installed at crime hotspots across the ACT as deterrents and to support police investigations. The Company is confident that further cameras will be rolled out in 2019.

In WA, the Department of Planning Lands and Heritage deployed an initial 14 cameras to help prevent illegal dumping and monitor unsafe driving in certain remote areas. Orders for new sites are now being received on a regular basis.

The City of Armadale in WA have issued a purchase order for 2 Thermal cameras and 1 HD5 camera to provide surveillance of electrical cabling at one of their facilities. This is another trial site and follows a more limited trial of a single unit. Upon their acceptance of Spectur's technology platform and its benefits, further orders are expected.

One of the country's leading charities, operating drop-off bins, have installed 4 cameras as part of a trial to monitor their charity bins for theft, vandalism and illegal dumping. Such activities are placing an increasing financial burden upon charities and the costs of rectification are running into millions of dollars annually for the industry. This trial will run until the end of January, when a decision will be made regarding a national rollout of Spectur systems.

A number of Thermal camera units are now on trial with multiple customers, both industrial and government, and we expect to see sales activity as a result.

## Summary

Spectur MD, Peter Holton commented, “The Company is continuing to grow strongly and I’m confident that this will continue into the New Year. A number of larger customers across numerous industries and government agencies are still in the trial phase with our systems. As these trials conclude we expect sales to accelerate further.

We are making a conscious effort to broaden our market coverage and deployment scenarios, making us a more balanced business. There are multiple applications for Spectur technology, with the Shark Warning Systems and the beach safety partnership with The Ripper Group being a good example. We have also introduced a new 4K Time Lapse system, a Number Plate Recognition System and a Remote Evacuation System.

As the Company moves into broader markets, our revenue base becomes more diversified and we become less susceptible to risks from one particular industry or sector. The flow-on effect will be to both grow and stabilise quarterly revenues as new markets offset seasonal or cyclical fluctuations in sales with other markets.”

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## ABOUT SPECTUR

Spectur Limited is an Australian-based company which owns the rights to its innovative hardware and disruptive cloud based IOT and security systems which operate in Australia. The two key industries that Spectur currently services are the building/construction/civil industry and the critical infrastructure industry. The Company’s focus is to service the commercial, industrial and governments sectors. Spectur’s core product is the HD4 security camera system and associated cloud based platform. The HD4 is a solar powered battery backup security system which is remotely accessed and connected via 3G/4G technology which is connected to the cloud based platform. Spectur has also added thermal camera surveillance as a stand-alone system to complement its existing product base. The Company is rapidly implementing a growth plan to firstly grow revenues and market share in the Australian security surveillance sector and, secondly to penetrate other key strategic markets.

## FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements which are subject to elements of uncertainty, risk and other factors which could cause the actual results or outcomes to differ materially from those stated. These statements are based on an evaluation of current economic, contractual and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated, when anticipated or at all given that many of the events are outside Spectur’s control.

Accordingly, neither Spectur nor any of its directors, officers, employees, contractors or agents, gives any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur as and when anticipated.