

26 November 2018

ASX / Media Release

ASX code: **K2F**

2018 ANNUAL GENERAL MEETING

CHAIR'S ADDRESS

Good morning ladies and gentlemen, welcome to the 2018 Annual General Meeting of K2fly Ltd (**K2fly**, **K2F** or **Company**).

My name is Jenny Cutri and I was appointed as the Company's Chair on 1 July 2018 after serving as non-executive director since September 2017.

Firstly, I would like to express the Company's thanks to all our shareholders for your continued support during the past financial year. We also recently had some new investors join K2F's register and I would like to welcome all of you to our Company.

My fellow Board members and I appreciate your continued support of K2fly despite the recent turmoil in the local and international markets.

Speaking of my fellow Board members, present today are Brian Miller (Chief Executive Officer) and non-executive directors, Neil Canby and James Deacon.

K2fly's vision is to be a 'digital enabling partner' for Tier 1 asset-intensive clients whose challenges can only be solved with technology use coupled with guidance from a trusted advisor. K2fly is very much on track to achieve its vision with its 3 complementary business segments (owned software, 3rd party software and consulting), together offering clients a comprehensive technology solution.

FY18 was a particularly exciting year with the acquisition of Infoscope, the land management system which provides a single spatially integrated solution to manage information relating to land access, compliance and social licence to operate across multiple industries. Infoscope has been successfully used by Fortescue Metals Group (FMG) since 2012 and we continue to support FMG through various upgrades and improvements to ensure continuing relevance to its business. In Q1 of FY2019 we made our first new name Infoscope sale to Australian Premium Iron JV.

Global Enterprise Resource Planning (ERP) software giant SAP recognised the potential of Infoscope to provide a unique solution for its clients in the enterprise land management arena. SAP gave K2fly access to its Co-Innovation Laboratory (COIL) in Germany and provided technical resources to successfully port Infoscope to their Cloud Platform on S/4 HANA. It is no small feat that K2fly was the first Australian company to be given this access. K2fly invested time, effort and money in the porting of Infoscope to HANA and the technical staff worked diligently to achieve this against aggressive timescales. Although this diverted key staff away from other client work, it was a very worthwhile assignment.

This then led to significant milestones being achieved for Infoscope including being listed on the SAP App Center, K2fly achieving SAP Silver Partner status, addressing SAP's Industry Advisory Council for Mining

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(which includes 20 of the world's largest mining companies) and speaking at various SAP international and marketing events.

Infoscope is also the backbone of The Keeping Place, which is an enabled platform that fundamentally transforms how digital information around indigenous history and heritage can be shared between those who capture it (major mining companies - FMG, BHP and Rio) and those who utilise it (Indigenous Communities).

To be the trusted advisor of Tier 1 clients it is expected that we demonstrate a willingness and ability to bring the best solutions to the table. This is where our global partnerships fit in. Our preference is for strong and reputable products that also complement our own software. This year, K2fly also become a partner of Esri, a global leader in Geographic Information Systems (GIS). Esri's ArcGIS mapping software is considered to be one of the world's most powerful software products for mapping and spatial data analytics serving as a perfect complement to Infoscope.

Brian and his team (which was recently bolstered with the appointment of a CCO) are now very much focused on working collaboratively with both SAP and Esri sales executives, to achieve sales of Infoscope. This is very much aligned with the Company's overall objective of increasing its proportion of revenue derived from Software as a Service (SaaS) sales.

The achievements associated with Infoscope, which I have discussed above, were achieved by Brian and the K2fly team while:

- growing revenue for FY18 by 303% compared to FY17 revenue
- being successful in reselling of 3rd party software (having forged partnerships with GE Digital Alliance (USA), Capita (UK) and Kony (USA). Including deploying market leading Mobility software, Fieldreach into Arc Infrastructure in the asset intensive transport infrastructure sector
- continuing to win major consultancy / advisory contracts with a number of Tier 1 clients including Western Power, Programmed and FMG
- integrating legacy Infoscope staff and business processes into K2Fly to leverage increased efficiency

On behalf of the Board I thank the entire team at K2fly for their hard work over the past year.

The Board and I are confident that we have the right team, structures and systems now in place to deliver our next wave of success. In 2019, we are looking to grow Infoscope sales in concert with SAP. We are also looking to grow our consultancy base to cover more clients outside of Western Australia and are always exploring potential acquisition targets.

Finally, as a Board we are very excited about the next phase of K2fly's growth and its future opportunities which are now possible due to the successes of FY2018.

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About K2fly

K2fly Ltd is an ASX listed technology company which targets asset intensive industries. It supplies people, products and strategic alliances focussed on solving problems for clients.

K2fly owns **Infoscope**, a Land Management and Stakeholder Relations solution for the Energy and Resources market.

K2fly has strategic alliances with global technology companies such as: GE(USA), Esri (USA) and SAP (Germany).

K2fly also re-sells market leading software which has been developed by industry leaders in the USA, Australia, Europe and the UK. These solutions come from OBI Partners (USA), Kony (USA), Pointerra Limited (Aus), ABB (Switzerland) and Capita plc (UK), where they have an outstanding track record of delivering benefits to clients.

In addition, K2fly provides cutting edge advice, consultancy and services when it deploys its subject matter experts who have extensive domain knowledge in such areas as Rail, Electricity, Gas, Water, Mining, Oil & Gas, Facilities Management, Aviation and Defence.