



VELPIC INVESTOR UPDATE

February 2016

Disclaimer



This presentation has been prepared by Velpic Limited (the "Company"). It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should not treat the contents of this presentation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters.

No representation or warranty (whether express or implied) is made by the Company or any of its officers, advisers, agents or employees as to the accuracy, completeness or reasonableness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or provided in connection with it, or any omission from this presentation, nor as to the attainability of any estimates, forecasts or projections set out in this presentation.

This presentation is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the presentation and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in its absolute discretion (without incurring any obligation to do so).

Neither the Company, nor its related bodies corporate, officers, their advisers, agents and employees accept any responsibility or Liability to you or to any other person or entity arising out of this presentation including pursuant to the general law (whether for negligence, under statute or otherwise), or under the Australian Securities and Investments Commission Act 2001, Corporations Act 2001, Competition and Consumer Act 2010 or any corresponding provision of any Australian state or territory Legislation (or the Law of any similar Legislation in any other jurisdiction), or similar provision under any applicable law. Any such responsibility or liability is, to the maximum extent permitted by Law, expressly disclaimed and excluded.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company.

Future Matters

This presentation contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company.

Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or Implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved.

Given the risks and uncertainties may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

US Disclosure

This document does not constitute any part of any offer to sell, or the solicitation of any offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1933 ("Securities Act"). The Company's shares have not been, and will not be, registered under the Securities Act or the securities Laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.

Company Snapshot



- ASX listed technology company comprised of two complementary entities:
 - Velpic: an innovative eLearning platform
 - Dash Digital: a brand technology agency
- The Velpic platform is a visually inspired, cloud based, eLearning training and inductions platform targeting the large and growing Learning Management Systems market, expected to be worth \$10 billion by 2020
- Strong and growing customer base, including many ASX 200 companies
- Driven by an industry learning and high profile Board & management team, including Chairperson Leanne Graham (former Top Xero executive)
- Well capitalised to accelerate customer growth and market penetration of Velpic platform

Security Details

ASX Symbol	VPC
Existing Shares on issue:	
• Listed	361,909,745
• Escrowed	126,040,500
Unlisted options	35,200,000
Total Ordinary shares	487,950,245
Cash balance (at 31 Dec 2015)	A\$3.25m
Share price (11 February 2015)	5 cents
Market capitalisation	A\$24m





Market Opportunity

- The global LMS market is projected to grow at 20.8% CAGR in the next five year to reach approx. \$10 billion by 2020 (sourced from Markets and Markets)
- Learning Management Systems is a software application used to plan, implement and assess a specific learning process
- Strong growth market due to increasingly mobile population, distributed workforce and cloud infrastructure



Employer

- Productivity & efficiency increases
- Cost effective solutions
- In-house training, not external instructions
- L&D spending has grown to more than \$130bn globally



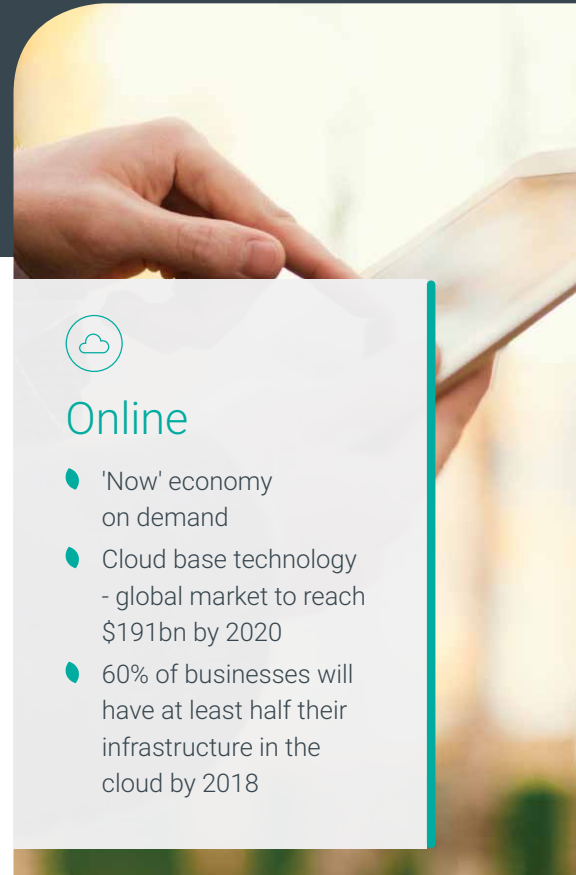
Employee

- Proactive
- Up-skilling & continuous improvement
- On demand
- BYOD



Online

- 'Now' economy on demand
- Cloud base technology - global market to reach \$191bn by 2020
- 60% of businesses will have at least half their infrastructure in the cloud by 2018





Video eLearning Platform in the Cloud

- Unique solution for businesses to train and induct staff with integrated video training
- Dramatically expands on the capabilities on traditional LMSs
- Lessons on demand, anywhere, any time on any device
- Easy in-house video content creation and editing
- Recurring SaaS and PPV fees
- Hosted in the cloud
- Enterprise grade platform technology



Milestones achieved so far



2014

2015

2016

Development of
Version 2.0
completed

The 'Velpic'
brand
launched

120 lessons
completed
in one month

Velpic
platform
goes live
with 2 inaugural
clients

Successful
capital raise
of \$4m and
ASX listing

Backing from
leading
Australian
technology
investor
Tony Gandel

Leanne Graham,
ex-Xero Executive,
appointed
Chairperson

Launch of
On Demand
feature
opening up
customer
service market

Entry into
retail and
agricultural
market
verticals
through new
customers

Customer
expansion
on Australia's
east coast

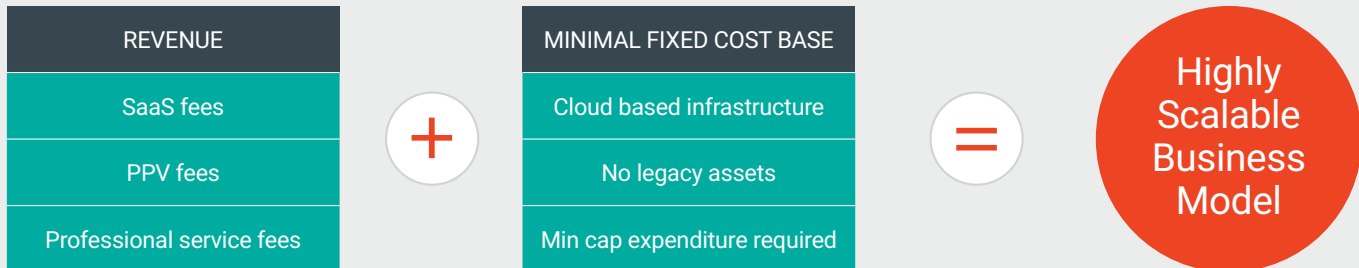
Completion of
national sales
team to accelerate
customer growth
and increase
market share

Completed
lessons in
one day
accelerates
to 121

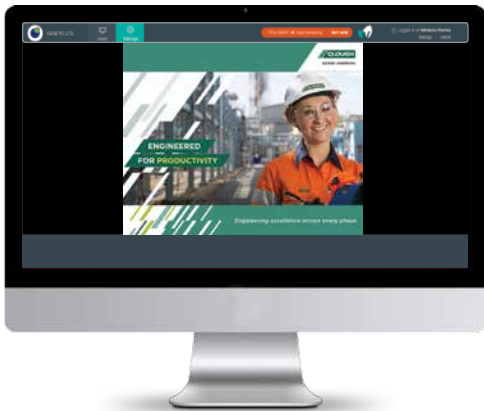
Highly Scalable Business Model



- Strong recurring SaaS and PPV revenue
- SaaS & PPV Fees build an ever increasing recurring revenue stream

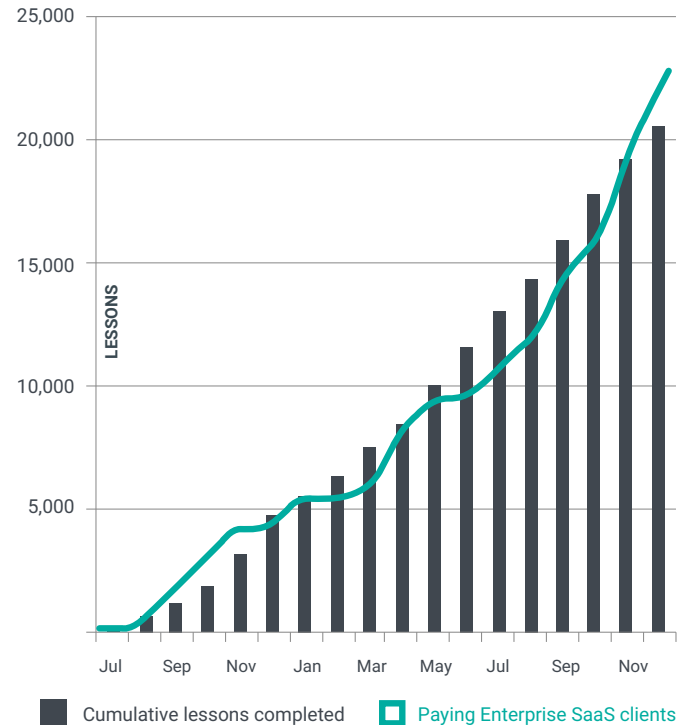


Proven Business



- Proven concept with existing and growing blue-chip ASX 200 customers
- Strong Customer Growth in December Quarter - average 14% per month
- Annualised PPV and SaaS fees of \$200k as of December 2015
- Actual Group Professional Services fees of \$2.3m in FY15, including Dash Digital contribution

Velpic Growth



Strong Customer Validation



Existing blue-chip client base including many ASX 200 companies

Strong Customer Growth in December Quarter - average 14% per month

Entry into agricultural and retail market verticals through

First client signed to On Demand feature – created in response to customer demand



www.monadelphous.com.au



olamgroup.com



www.kailisbros.com.au



www.alcoa.com/australia



www.ahg.com.au



www.agc-ausgroup.com



www.bgc.com.au



www.infigenenergy.com



www.marineandcivil.com



www.brierty.com.au



www.fugrosm.com



www.catalano.com.au



www.coffey.com



www.directgroup.com.au



www.clough.com.au



www.wbho.com.au



www.imdexlimited.com



www.mineralresources.com.au



www.laingourouke.com



www.neptunems.com

Robust Technology & Market Position

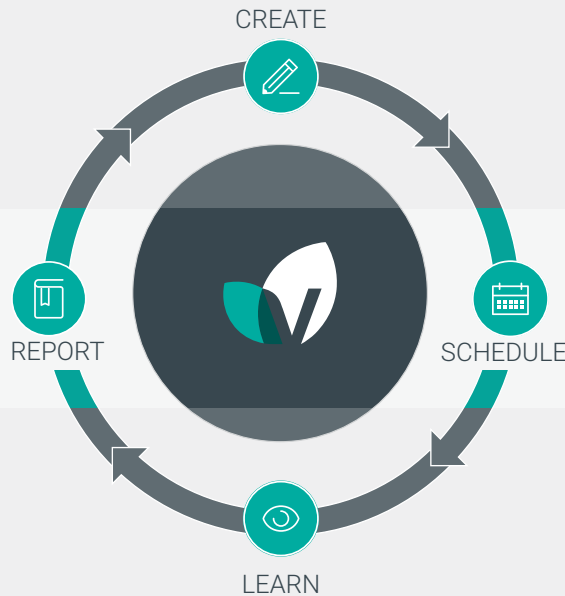


- Significant development and integration required to achieve full functionality with existing technologies
- Velpic dramatically expands upon the capabilities of traditional LMSs

Video Content Creation

Core LMS

Video Anywhere, Anytime On Any Device



PowerPoint
 Adobe Premiere
 articulate

PIXAR
 Cp

moodle
 successfactors™
An SAP Company

Blackboard
 ELMO
LEARN MANAGEMENT SOFTWARE

YouTube
 SurveyMonkey

NETFLIX
 vimeo



Capturing the Market

“Three Pillar Sales Strategy”

to accelerate customer growth and increase market share

Enterprise	Reseller	SME
<ul style="list-style-type: none">National Sales Team appointments finalisedContinue to expand customer presence on Australian east coast	<ul style="list-style-type: none">1st partnership secured - leading retail trainer John BlakeHighly scalable with one partnership providing access to a customer network	<ul style="list-style-type: none">Lucrative and rapidly growing LMS market segmentEntry through launch of Version 3.0 of Velpic platform
Activated ✓	Activated ✓	Coming 2016

Revenue Generation



- Multiple revenue streams to bolster SaaS and PPV fees
- High revenue scalability through reseller partnerships
- Attractive balance of strong recurring revenue and 'zero touch' components



Alcoa Case Study



- Alcoa sign up to the new Velpic eLearning Platform in the Cloud
- Alcoa initially used platform to provide inductions for staff working at aluminium refineries, and is now utilising new "Lesson Marketplace" feature.
- Velpic to receive subscription fee revenue for providing access to its eLearning platform along with pay per view (PPV) fees for each lesson completed
- Strong validation of the Velpic cloud-based eLearning platform offering from a world leading aluminium producer

2016 Growth Strategy



1 Customer growth

- Continue customer growth momentum on east coast of Australia

2 Continue platform development

- Launch expert modules marketplace & new features
- Complete development of version 3.0

3 Expand into new SME market

- Enter SME market through launch of version 3.0 by Q3 CY2016

4 Expand into new geographies

- Commence international expansion with New Zealand by Q1 CY2016
- 2017 - Follow through with targets US, UK, Singapore, Hong Kong and South Africa

Activity pipeline & newsflow

Leadership Team



Russell Francis - CEO

Entrepreneur and internet pioneer with 23 years international experience. Proven track record building enterprise scale applications.



Patrick Connell - Executive Creative Director

Extensive expertise in corporate identify and marketing strategies. 28 years in the design industry working with government, public and private clients.



Harry Karelis - Non-Executive Director

Over 20 years diversified experience in the financial services sector, including private equity. International public and private company directorships.



Leanne Graham - Non-executive Chairperson

Former Xero executive and leading SaaS expert. Over 28 years of executive sales and technology experience in early stage and listed companies.



Glen Moora - Director & BDM

Entrepreneur with successful track record expanding into new territories, developing new business and strategic partnerships.



Russell Francis, awarded Most Disruptive CIO/CTO at the Talent Unleashed Awards

Judges included Sir Richard Branson, founder of Virgin Group, Steve Wozniak, Apple co-founder and SEEK CEO Andrew Bassat.

Further validation that Velpic is well positioned to disrupt the global \$130bn L&D marketplace.

Investment Proposition



- Innovative video eLearning platform technology workforce for training, education and induction
- Proven business model offering easy to use integrated video training to the large and growing LMS market, worth over \$10bn by 2020
- Strong customer validation with growing blue chip client base
- Highly scalable, low cost eLearning platform with strong recurring income from Saas and PPV revenue
- Growth strategy executed for accelerated customer acquisition and market penetration
- Experienced and highly credible board and management in place to execute on strategy and drive commercial growth
- Key near team newsflow catalysts and activity pipeline



Thank you

www.velpiclimited.com

[NSW](#) | [VIC](#) | [WA](#) | [QLD](#)

Investors

Russell Francis

Chief Executive Officer
Velpic Ltd

t +61 8 6160 4444

m 0408 822 380

russell@velpic.com

Media

Fran Foo

Director
Media and Capital Partners

t +61 416 302 719

fran.foo@mcpartners.com.au

Sales

Glen Moora

Executive Director & BDM
Velpic Ltd

m 0418 919 172

glen@velpic.com