



ASX: SOI

ASX Announcement

17 September 2015

Proposed acquisition of Pointerra

Soil Sub Technologies Ltd (ASX: SOI) ("Soil Sub" or "Company") has signed a Non-Binding Term Sheet with Pointerra Pty Ltd ("**Pointerra**") for the acquisition by Soil Sub of 100% of the issued capital of Pointerra.

Pointerra is a Perth, Western Australia-based company, focused on building a powerful on-line solution to see the real world through massive 3D point clouds.

Highlights

- **Soil Sub Technologies to acquire 100% of Pointerra Pty Ltd.**
- **Pointerra is building a Data as a Service (DaaS) solution for mapping the world in three dimensions (3D) through the processing, managing and sharing of massive point cloud data sets.**
- **Pointerra holds a valuable first mover advantage through a Provisional Patent Application in place for the commercial development of its intellectual property.**
- **The provision of massive, and currently underutilised, point cloud data sets as a service to industry will allow organisations to accurately view, manage and maintain assets.**
- **The Pointerra technology has multiple, revenue-generating applications across the geospatial, engineering, construction, property management, insurance, government and defence industries.**
- **Initial focus on accessing large enterprise and publicly available data from the US, Australia and Europe; extremely well-positioned to leverage the rapidly expanding global geospatial industry.**
- **Experienced Pointerra team, with dedicated R&D and commercialisation focus, to be led by Dr Rob Newman (Chairman elect), Mr Ian Olson (Managing Director elect) and Chief Technology Officer Mr Shane Douglas.**
- **Proposed name change from Soil Sub Technologies Ltd to Pointerra Ltd.**
- **Proposed capital raising of A\$4.0 million (Lead Manager-Underwriter RM Corporate Finance) to support the delivery of Pointerra's commercialisation strategy and to comply with relevant ASX Listing Rules for shares to be re-quoted on ASX.**

Soil Sub Technologies Limited

ACN: 078 388 155

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About Pointerra

Pointerra is an emerging technology company that has developed solutions for the collection, processing, managing, rendering and real-time visualisation of massive point cloud data sets in three dimensions (3D).

Industries including construction, surveying, utilities, natural resources and government increasingly rely on precise 3D models of the real world, initially captured as point clouds, to manage their businesses, assets and operations. These data sets are massive, unwieldy and underutilised, with the amount of data being collected growing exponentially.

Pointerra's cloud based service is based on compression and visualisation algorithms which index massive point cloud data sets into a unified model, for which Pointerra has a Provisional Patent Application. The processed point cloud data has the capacity to be dynamically searched and visualised by anyone, anywhere.

Pointerra will commercialise its technology via Data as a Service ("DaaS") with both subscription and volume based revenue models. This will allow Pointerra to become a central marketplace for this ever-growing amount of data.

The **Pointerra** team brings an unrivalled level of experience in engineering, development and commercialisation to drive **Pointerra's** unique service. Upon completion of the proposed acquisition, Pointerra will be chaired by technology entrepreneur Dr Rob Newman, with Mr Ian Olson taking the position of Managing Director (see biographies in Schedule B). Mr Shane Douglas will assume the role of Chief Technology Officer.

The proposed \$4.0 million capital raising will provide **Pointerra** with sufficient capital to pursue its commercialisation objectives.

Market Sector Potential

Most buildings, infrastructure, plant and equipment in the real world require ongoing geospatial surveys, creating massive point cloud data sets that are generally underutilised or not fully leveraged by the data owner.

An increasingly accurate 3D model of the real world is being demanded by businesses operating in sectors from design and construction, through maintenance of utilities and existing assets and even to the development of driverless cars. Accessing and interpreting existing point cloud data sets is difficult because of their scale, fragmented ownership, duplication and obsolescence.

Pointerra's solution allows all existing 3D data to be held in one location, and for it to be accurately searched and instantly available. Access will be through subscription (annuity) or volume-based usage and **Pointerra** will provide data owners the ability to make their data available for a licence fee.

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Share Purchase Plan

Soil Sub will undertake a capital raising via a Share Purchase Plan ("SPP"), to raise up to \$500,000 to pay for expenses of the proposed acquisition of **Pointerra** including costs associated with the recompliance with Chapters 1 & 2 of ASX Listing Rules. Further details are contained in a separate announcement specific to the SPP.

Re-compliance with Chapters 1 and 2 of the ASX Listing Rules

As the acquisition of **Pointerra** will constitute a significant change in the nature and scale of the Company's activities, the Company will be required to recompile with the requirements in Chapters 1 and 2 of the ASX Listing Rules (including preparing a full form prospectus, conducting a capital raising and potentially a consolidation of capital) as a condition of completing the investment.

Timetable

Soil Sub expects to hold a General Meeting in November 2015 to approve the acquisition of **Pointerra**, the issue of a prospectus to raise up to A\$4.0 million and various other resolutions associated with recompliance with Chapter 1 and 2 of ASX Listing Rules (Schedule A - Indicative Timetable). The Company is targeting to be trading as **Pointerra** by December 2015/January 2016.

For any further information please contact the Company on +61-8-6380-9200 or

CONTACTS

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Schedule A

Transaction Overview

The principal terms of the non-binding conditional agreement to acquire **Pointerra** are as follows:

Conditions Precedent

- **Soil Sub** to pay an option fee of \$1 within 30 days of executing a binding Share Purchase Agreement for the acquisition of 100% of **Pointerra**.
- Satisfactory and mutual completion of legal and technical due diligence by both **Soil Sub** and **Pointerra** by 31 December 2015.
- Obtaining of all relevant regulatory and shareholder approvals (including consolidation of **Soil Sub** share capital, if necessary, in satisfaction of ASX Listing Rules).
- Lodging a prospectus with ASIC to raise up to \$4,000,000 by the issue of up to 200,000,000 Shares at an issue price of not less than 2 cents (**Prospectus**), in satisfaction of Chapters 1 & 2 of the ASX Listing Rules and ASX approval for re-quotation of **Soil Sub** securities by 31 January 2016.

Consideration

Upon closing the Prospectus, issue the vendors of **Pointerra** with the following consideration (stated on a post-consolidation and indicative two cent basis):

- **Initial Consideration:** 130,000,000 (valued at \$2.6m based on an indicative two cent basis) Shares in the capital of the Company as initial consideration; and
- **Performance Shares:**
 - **60,000,000 Class A Performance Shares** convertible into Shares on a 1:1 basis upon the release by the Company (or any of its related bodies corporate) of a commercially saleable product based on a 3D dynamic points database containing at least 100 billion points within 12 months of the date of issue; and
 - **80,000,000 Class B Performance Shares** convertible into fully paid ordinary shares on a 1:1 basis upon the execution by the Company (or any of its related bodies corporate) of a commercial technology evaluation agreement with an independent 3rd party for potential integration of the **Pointerra** engine in a geospatial SaaS solution and the volume weighted average price of Shares as traded on ASX over a 20 consecutive trading days on which the Shares are traded is not less than \$0.04 within 24 months of the date of issue; and

- o **80,000,000 Class C Performance Shares** convertible into Shares on a 1:1 basis upon the execution by the Company (or any of its related bodies corporate) of a commercial enterprise agreement with an independent 3rd party for use of the **Pointerra** engine in an enterprise based 3D point cloud solution and the volume weighted average price of Shares as traded on ASX over a 20 consecutive trading days on which the Shares are traded is not less than \$0.06 within 36 months of the date of issue.
- Appointments of Mr Rob Newman as Chairman of **Pointerra**, Mr Ian Olson as Managing Director and Mr Shane Douglas as Chief Technology Officer. (Schedule B).
- Issue the following securities (stated on a post-consolidation basis) to **RM Corporate Finance Pty Ltd** (AFSL 315325) or its advisers, for acting as Underwriter/Lead Manager to the capital raising, subject to execution of an underwriting agreement, and facilitator of the transaction:
 - 70,000,000 unlisted Options (exercisable @ 3 cents per Share, on or before 30 November 2018) for acting as Underwriter to the Prospectus offering, subject to execution of an underwriting agreement.
 - 20,000,000 Shares for acting as facilitator to the transaction

Financial Impact on SOI

Please see below an indicative post transaction pro-forma balance sheet.

Soil Sub Technologies Limited	
Pro-Forma Balance Sheet	
Post Transaction	
Assets	
Cash On Hand	3,871,049
Sundry Debtor	10,000
Total Cash On Hand	3,881,049
Total Current Assets	3,881,049
Patents and Trademarks	5,984
Goodwill on Acquisition	2,590,208
Total Assets	6,477,241
Total Liabilities	-
Net Assets	6,477,241
Equity	
Subscription Equity	12,595,080
Capital Raising Fees	- 971,871
Option Reserves	18,914
Retained Earnings	- 5,164,883
Total Equity	6,477,241

Pro forma Capital Structure

Shares	
Existing SOI Shares (Pre-consolidation) ^{1,2}	1,983,579,696
Re-compliance New Shares (based on minimum 2 cent issue price)	200,000,000
RMCF facilitator shares	20,000,000
Pointerra Initial Consideration Shares	130,000,000
Performance Shares	
- Pointerra Tranche 1, 2 & 3 Performance Shares	230,000,000
Convertible Notes	
- Existing Convertible Notes (\$10,000 face value, interest rate of 4% per annum, conversion price lesser of \$0.001 and 80% of 5 day VWAP, maturity 27 February 2016) ²	7
- Existing Convertible Notes (\$10,000 face value, interest rate of 4% per annum, conversion price lesser of \$0.001 and 80% of 5 day VWAP, maturity 15 June 2016) ²	10
Options	
# Underwriter Options (ex 3.0 cents, exp 30/11/18)	70,000,000
Existing Options (exercise price 1.5 cents, expiry date 31/12/15) ²	67,500,000
Existing Options (exercise price 0.5 cents, expiry date 30/11/15) ²	671,578,269

Notes:

¹ SOI will also be conducting an SPP to raise up to \$500,000. The number of Shares that may be issued under the SPP is not known as the issue price will be determined at the date of issue of shares under the SPP.

² SOI will likely be required to undertake a consolidation of capital which will reduce the number of its equity securities (Shares, Options, Convertible Notes) on issue at the time of the consolidation, including any Shares issued pursuant to the SPP. The exercise price of the Options and conversion price of the Convertible Notes will also be adjusted as a result of any consolidation. The ratio has not yet been determined. Further details of any consolidation will be announced to ASX once determined.

Indicative Timetable

ACTIVITY	DATE
Record date for determining eligible SOI Shareholders for SPP	16/09/2015
ASX Announcement of non-binding Term Sheet SOI-Pointerra and SPP	17/09/2015
Dispatch SPP Offer document to eligible SOI shareholders	18/09/2015
Dispatch Notice of SOI General Meeting notice (to approve SPP shortfall placement)	25/09/2015
Closing Date for SOI SPP Offer	9/10/2015
Completion of Due Diligence SOI-Pointerra	9/10/2015
Execution of SOI-Pointerra binding Share Sale Agreement	9/10/2015
SOI General Meeting (to approve acquisition of Pointerra) notice lodged with ASIC	16/10/2015
SOI General Meeting (to approve SPP shortfall placement)	26/10/2015
Placement of SPP shortfall (if required)	30/10/2015
Dispatch SOI General Meeting (to approve acquisition of Pointerra)	30/10/2015
Lodge Prospectus with ASIC	02/11/2015
Listing application lodged with ASX	09/11/2015
SOI General Meeting (to approve acquisition of Pointerra)*	30/11/2015
SOI Shares suspended from trading on ASX	30/11/2015
Prospectus Closing	24/12/2015
Issue of securities offered under Prospectus and settlement of acquisition of Pointerra Dispatch of holding statements	14/01/2016
ASX Requotation	28/01/2016

The above table is an indication only and is subject to change. Shareholders should also note that the Company's securities will be suspended from trading on the day of the SOI general meeting seeking shareholder approval for the transaction, and if such approval is obtained, will remain suspended until such time as the Company has satisfied Chapters 1 and 2 of the ASX Listing Rules.

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Schedule B – Directors and Management Biographies

Dr Robert Newman, PhD

(Non-Executive Chairman, elect)

Rob Newman has established a unique track record as a successful high technology entrepreneur in both Australia and Silicon Valley. Rob has twice founded and built businesses based on technology from Western Australian Universities and both times successfully entered overseas markets. These businesses combined have established market values of over \$200M.

Rob started his entrepreneurial career early. As a Ph.D. student at the University of Western Australia he was the inventor and co-founder of **QPSX Communications Pty Ltd** which sold products to Telecommunication Carriers in Australia, Europe and the U.S. Rob was also the Founding CEO of **Atmosphere Networks**. The technology was developed at Curtin University and Rob established a company with US Venture Capital backing and ran it until it was acquired by **Ditech Communications**.

Rob is co-founder and executive director of **Stone Ridge Ventures** - a technology venture capital firm. Rob's focus is on identifying disruptive technologies with global potential. Rob is also an active director on a number of high technology companies including being the initial Chairman of **nearmap Pty Ltd** when privately owned. He is currently a non-executive director of **nearmap Ltd**.

Ian Olson, CA

(Managing Director, elect)

Ian is a Chartered Accountant and professional public company director with a 25 year career in finance and the capital markets and has helped numerous companies move from private to public status via the ASX. Ian is also the owner of **WKC Spatial**, a geospatial business that specialises in the capture, processing, modelling and management of 3D point cloud data.

Ian started his career with **Ernst & Young** and has worked in London and New York with global investment banks prior to becoming Managing Partner of **PKF** in WA. He currently consults to **KPMG** in their Australian M&A practice and is the Non-Executive Chairman of **Gage Roads Brewing Co Ltd**.

Mr Shane Douglas

(Chief Technology Officer)

Shane is a graduate in physics and computer science with over 30 years experience in software development. He started his career with the **Systems Research Institute of Australia** (SRIA) and later worked for Intergraph Corporation in the Middle East. Since 1989 Shane has been developing software in 2D and 3D spatial environments for the **Water Corporation** of Western Australia, **Rio Tinto Iron Ore**, and numerous other organisations.

Over the last couple of years Shane has created the core technology behind **Pointerra** and continues to be involved in driving further development that will contribute to the successful commercialisation of the Pointerra solution.

Shane's key areas of specialisation are software development, technical software and software consultancy.



Mr Mark Morrison, B.Eng.

(VP Engineering)

Mark Morrison is an engineer who has worked in the geospatial and resources industries for over 25 years. During his career he has worked across a variety of roles, including academic research, software application development, technical analyst, and industrial R&D/innovation.

Mark started his career as a research engineer and assistant lecturer at the University of Western Australia, followed by a number of years in software development and team leadership roles in geospatial and mining software companies. More recently, Mark has held analyst and team leader roles with **Rio Tinto Iron Ore**, directing technical specialists working on next generation technology projects in areas including: 3D visualisation, geospatial data integration, GPGPU/HPC computing, desktop and mobile application development, and high performance databases.

Mark's key areas of expertise include, software development, technical innovation, leadership of technical teams, and software product management.

Mr Mike Freeth

(Development Lead)

Mike is a software developer and designer with a diverse skill set and a passion for modern web technologies. His experience ranges from the technical to the creative, covering software development, photography, video production and graphic design.

Prior to joining **Pointerra**, Mike worked as a development lead in the mining sector, heading up a team building an innovative 3D visualisation platform. More recently, his focus has turned to developing responsive, user friendly applications for the web and mobile platforms.