ShareRoot

INVESTOR PRESENTATION | MAY 2016

SECTION 1 – INTRODUCTION

INTRODUCTION

COMPANY OVERVIEW

ShareRoot Limited is a Silicon Valley-based leading user-generated content (UGC) marketing platform company

- SaaS platform that works with brands and digital agencies to easily and legally source user generated content (UGC) for marketing
- Positioned to become a major player within the large and growing $600 billion marketing ecosystem
- Rapidly growing list of over 20 US customers, bringing over 45 brands
- Listed on the ASX in January 2016 via a RTO with Monto Minerals

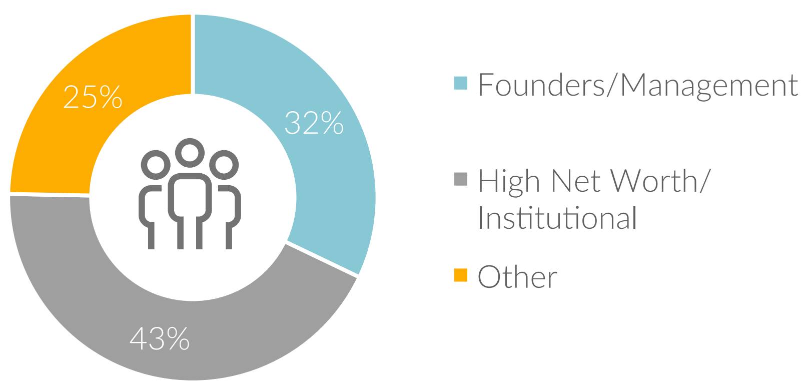
WHAT IS UGC?

Content created by consumers in various forms, such as social media posts, forums, reviews, blogs, wiki's and

CAPITAL STRUCTURE

ASX Symbol	SRO
Existing shares on issue (m)	328.0
Performance shares	120.0
Options	77.4
Total	525.4
Market capitalisation (as at 6 May 2016)	$9.15 million
Share price (as at 6 May 2016)	$0.03
Top 20 shareholders	58%

SHAREHOLDER STRUCTURE



INTRODUCTION

INVESTMENT PROPOSITION

Powerful and unique software platform - helping users source and legally secure UGC from social media channels for marketing

Significant market opportunity - with social network advertising growing at 18% in US to reach more than US$17bn by 2019

Strong customer validation - with established US client base including **UCLA**, **McDonalds** and **Costco**

Early mover advantage with a clear growth strategy - international expansion, channel partnerships and new packages

Highly scalable commercialisation model

Experienced and innovative management team - with strong news flow ahead

INTRODUCTION

LEADERSHIP TEAM

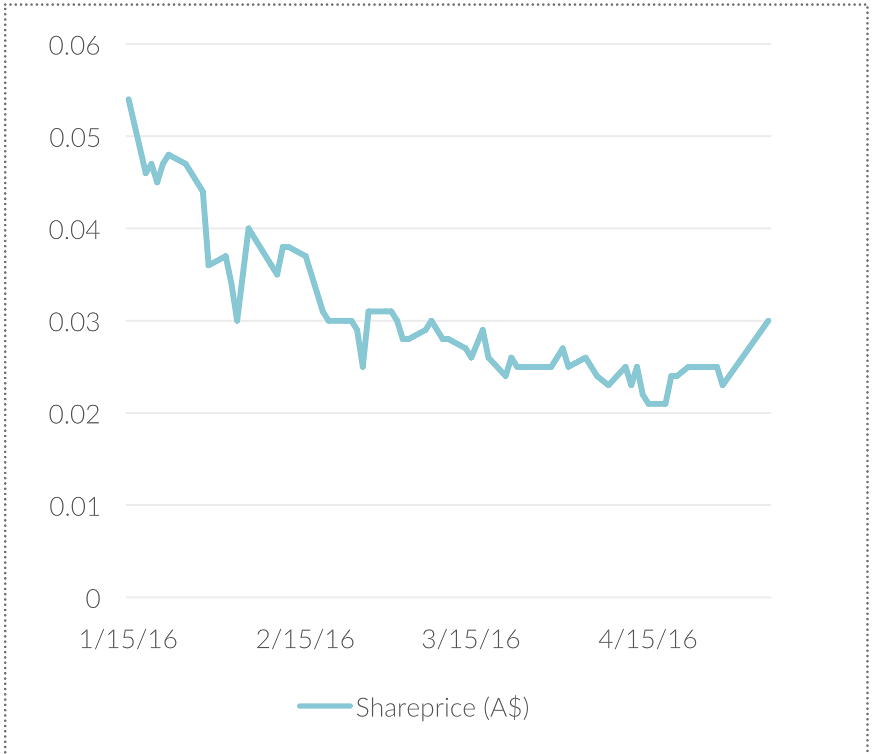
BOARD				MANAGEMENT	
					
James Allchurch	Noah Abelson	Andrew Bursill	Marc Angelone	Misha McPherson	Ian Hasslacher
Non Executive Chairman	Managing Director, Executive Director	Non Executive Director	Executive Director, CTO & Founder	Chief Operating Officer	Commercial Director - APAC
Over 17 years capital market experience in both technology and resource exploration	Led US sales from $0 to $3.1M in Q3 alone for AdParlor (Facebook Advertising company).	Principal of CFO Innovation with 15 years experience with ASX listed companies.	Helped lead mobile development for Millennial Media through their IPO on the NYSE.	Helped scale the growth of Responsys (purchased by Oracle for $1.6B) and Yammer (purchased by Yahoo for $1.2B).	Launched partner program for Adobe Digital Marketing Cloud and partnered with Deloitte, Sapeint Nitro, and ANZ Bank among others.

INTRODUCTION

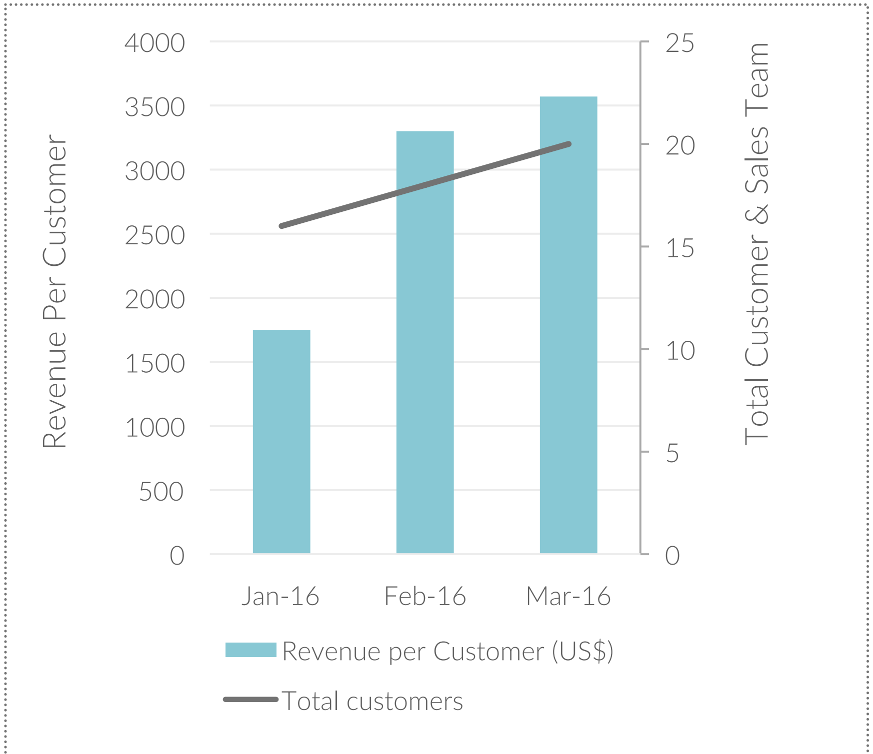
STRONG OPERATIONAL PROGRESS SINCE LISTING

REVENUE PER CUSTOMER UP 104% AND TOTAL CUSTOMERS UP 20%

SHARE PRICE PERFORMANCE



REVENUE PER CUSTOMER & TOTAL CUSTOMERS



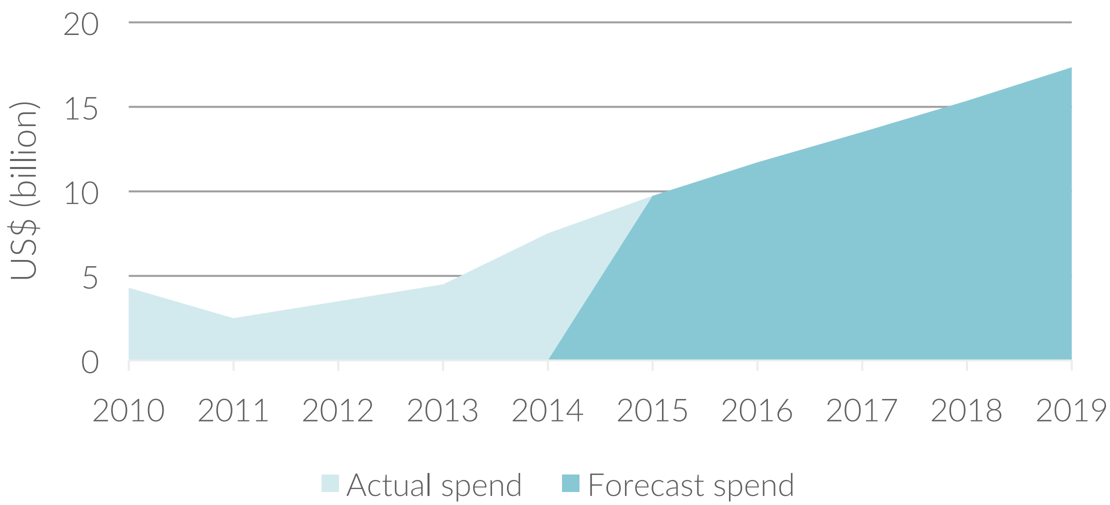
Unmatched to share price performance, down 40% since listing

SECTION 2 – MARKET: UGC

MARKET: UGC

LARGE AND GROWING MARKET

SOCIAL MEDIA MARKETING SPEND IN THE US



Source: Statista 2016

Social Media spend CAGR 18%

STRONG MARKET DRIVERS				
Growth in global spending on marketing - over US$540BN in 2015	Key role of UGC in purchasing decisions	Need to minimise legal risk of unapproved UGC	Declining profitability of traditional advertising platforms	High growth of digital marketing

MARKET: UGC
USER GENERATED CONTENT

80%

of all online content is user generated.

40%

of consumers seek out some sort of UGC before making a purchase.

74%

of customers have a more positive view of a brand after interacting with them via digital media.

84%

of millennials, and 70% of baby boomers say UGC plays a role in purchasing decisions.

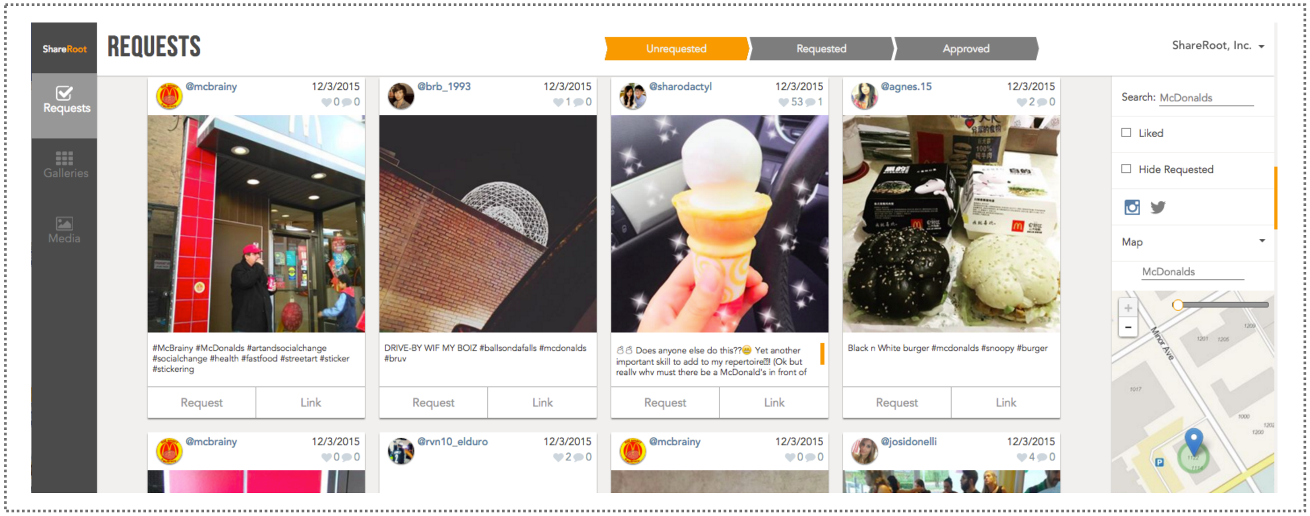
51%

more trustworthy than other forms of media

SECTION 3 — INNOVATIVE TECHNOLOGY: SHAREROOT SOLUTION

INNOVATIVE TECHNOLOGY
THE SHAREROOT SOLUTION

A SaaS PLATFORM THAT GIVES BRANDS THE ABILITY TO SOURCE UGC FROM VARIOUS SOCIAL CHANNELS



CONTENT SOURCING

Search for content based on geo-location, keywords or even engagements

CONTENT MANAGEMENT

Request & secure legal rights to content

CONTENT PUBLICATION

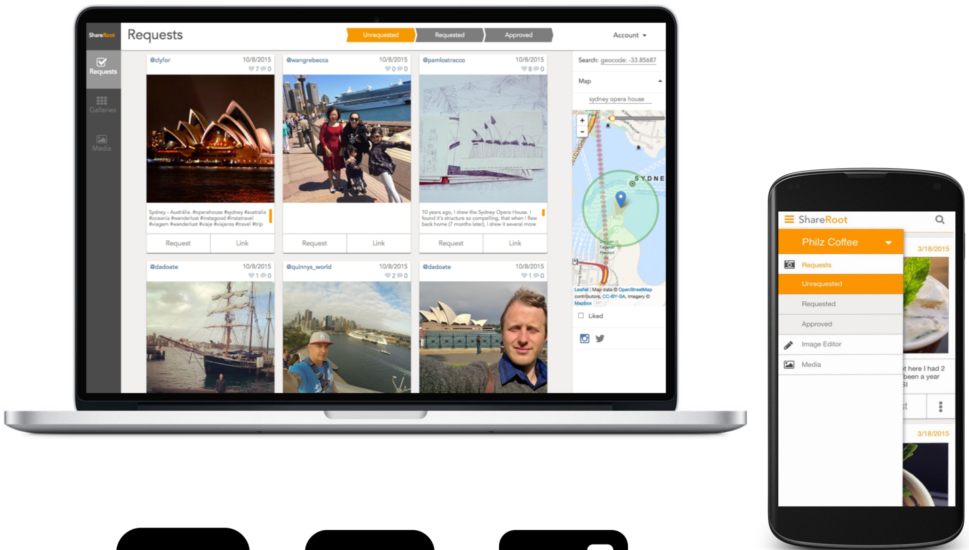
Engage with the community

MEASURING MARKETING EFFECTIVENESS

Click through and engagement rates

INNOVATIVE TECHNOLOGY: SHAREROOT SOLUTION

HOW IT WORKS



51%

CONSUMER APPROVAL RATING – LEGALLY SECURING RIGHTS TO CONTENT

- Utilises open APIs from Twitter and Instagram
- Search tool that allows brands to seek out relevant images
- Images and information are drawn from the social media platforms chronologically and geographically
- Brands can send out custom requests to content generators for the rights to the images
- Images can be re-posted as their new content to multiple digital platforms
- Functionality to place images and streamed content in customisable galleries on the brand's website or live at an event

INNOVATIVE TECHNOLOGY: SHAREROOT SOLUTION

CASE STUDY: UNIVERSITY OF CALIFORNIA LOS ANGELES

CONTRACT RENEWED & EXPANDED MARCH 2016

277% increase in spend for the Standard package

Expanded scope to include trials of both Facebook and microsite UGC galleries

2,050
TOTAL ENGAGEMENTS

UCLA BEFORE USING SHAREOOT APPLICATION

3,939
TOTAL

UCLA AFTER USING SHAREOOT APPLICATION

INNOVATIVE TECHNOLOGY: SHAREROOT SOLUTION

COMPELLING PRODUCT OFFERING

THE ONLY PLATFORM WITH A STREAMLINED PROCESS FOR LEGALLY SOURCING UGC

Delivering significant time & cost savings for marketers

Time saving for licensing process — 2-3 HOURS PER PHOTO

Time saving for photo approval process — 12 DAYS PER PHOTO

Cost saving per designer modification — $40

	STREAMLINED SOURCING AND AGGREGATION PROCESS	INSTAGRAM, TWITTER & FACEBOOK	CAMPAIGN EFFECTIVENESS REPORTING TOOL	FACILITATES LEGAL OWNERSHIP	2-3 MINUTE CREATION OF CONTENT/PRODUCT DISPLAY GALLERIES	STREAM CONTENT AT LIVE EVENTS	FUNNEL UGC TO HOOTSUITE
SHAREROOT	✓	✓	✓	✓	✓	✓	✓
STACKLA		●	●	●		●	
TINT		●	●		●	●	
PERCOLATE		●	●	●		●	

INNOVATIVE TECHNOLOGY: SHAREROOT SOLUTION

ACCOLADES AND AWARDS

Awarded Top Startup at SfBIG 2014

Winner of Xero's Super User Award 2014

Winner of Vator Splash People's Choice Award

Published an E-book alongside Marketo (MKTO)

INNOVATIVE TECHNOLOGY: SHAREROOT SOLUTION

STRONG CUSTOMER VALIDATION & TRACTION

20%	0%	70%	254%
Customer growth rate per quarter	Customer churn to date	Customer renewal rate	Expansion revenue rate (growth in customer spend when renewing a contract)

SECTION 4 – STRATEGY

STRATEGY

GO-TO-MARKET STRATEGY & PRICING

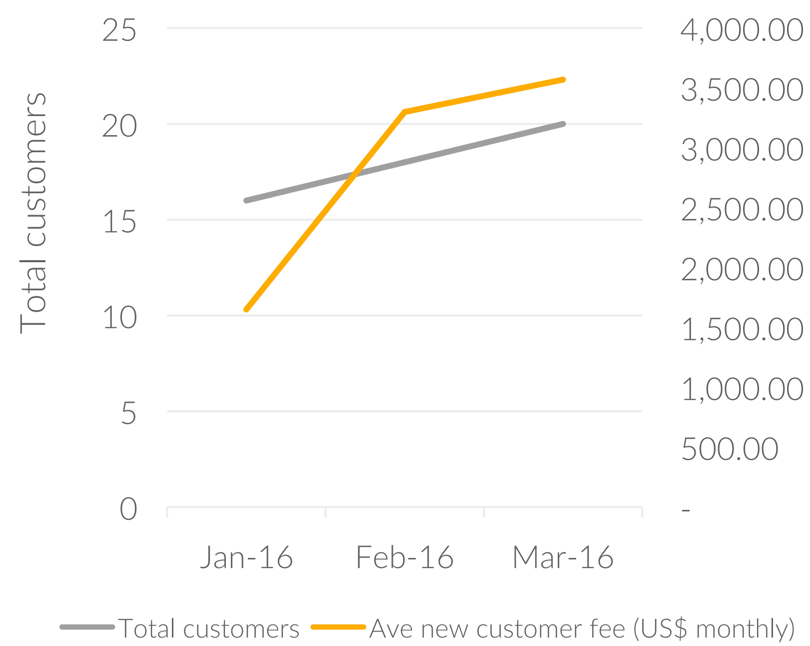
LAND GRAB STRATEGY – US & APAC

- Well funded to drive commercialisation and customer growth, with c. $3m cash in bank
- Compelling initial discount rates
- Strong traction upselling customers to higher functionality and higher price packages
- Direct sales force recently expanded from one to eight by end of April, with one in Australia
- Customer referral program
- Potential for inorganic growth

INTERNATIONAL EXPANSION

- Channel partner strategy for further international expansion (both exclusive and not)

GROWTH IN NEW CUSTOMER MONTHLY FEES

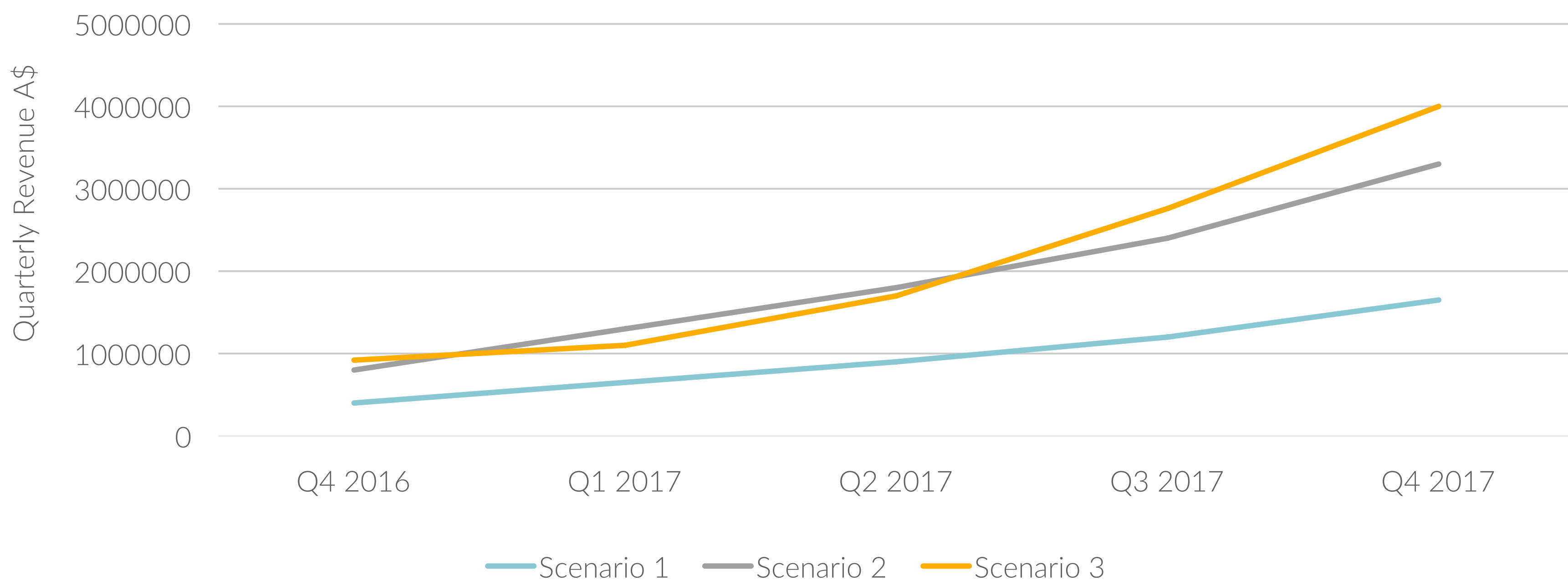


PACKAGE	STANDARD	ADVANCED	PREMIUM	ENTERPRISE
MONTHLY COST	$350	$1,250	$4,000	$10,000

STRATEGY

TRANSLATING INTO FINANCIALS

INDICATIVE REVENUE SCENARIOS



SCENARIO 1	SCENARIO 2	SCENARIO 3
Paced organic growth	Aggressive Organic Growth	Acquisition

STRATEGY

BOOMING CORPORATE INTEREST AND VALUATION GROWTH FOR UGC

RECENT FLOATS

NAME	TICKER	VALUATION
VMware	NYSE: VMW	$36.55 bn
HubSpot	NasdaqGS: JIVE	$1.36 bn
Bazaarvoice	NasdaqGS:BV	$677.3 m
Jive Software	NYSE:HUBS	$382.31 m

VC FUNDING – SHAREROOT COMPARABLES

NAME	FUNDING	TOTAL DISCLOSED FUNDING
Percolate	4	$74.5 m
Sprinklr	5	$123.5 m
Spreadfast	5	$88.1m

M & A

BUYER	SELLER	TRANSACTION VALUE
Conversant	Alliance Data	$2.3 bn
LinkedIn	Bizo	$175 m
Salesforce	Exact target	$2.5 bn
Adobe	Neolance	$600 m
AOL	Adap.tv	$405 m
Oracle	Responsys Blue Kai Eloqua	$1.5 bn $400 m $810 m
Rakuten	Ebates	$1 bn
Facebook	LiveRail	$500 m

STRATEGY

CLEAR & FOCUSED GROWTH STRATEGY

INCREASE OFFERING

- Launch of further functionality and packages
- Premium customer package in Q2 2016

EXPAND INTO NEW MARKETS

- Launch of new enterprise customer package in 2017
- Self service package for SME market with development of self service account creation in 2017
- M&A

INTERNATIONAL EXPANSION

- Grow geographic footprint: channel partnerships with ad agencies, media companies and other creative tech companies
- M&A

SECTION 5 – SUMMARY & OUTLOOK

SUMMARY & OUTLOOK

TRANSFORMATIONAL NEWS FLOW CATALYSTS

- Launch of Premium package expected in Q2 2016
- Expanding the functionality of current packages
- Continued investment into sales capabilities
- Further new US contracts, renewals and upgrades
- First APAC customer
- Channel partnerships and App integrations with top-tier partners

SUMMARY & OUTLOOK

SUMMARY: INVESTMENT OPPORTUNITY

- Powerful UGC software platform for digital marketing campaigns
- Strong operational progress delivered to date
- Substantial market opportunity in fast growing industry
- Highly scalable commercialisation model
- Blue-chip customer validation
- Clear growth strategy
- Significant near-term news flow pipeline

ShareRoot

THANK YOU