

ShareRoot

INVESTOR PRESENTATION | NOVEMBER 2016



**HARNESS THE VISUAL POWER
OF YOUR CONSUMERS**

Grow authentic unparalleled connections through visual content marketing

SECTION 1 – 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 30 US customers, bringing over 50 brands

Listed on the ASX in January 2016 via a RTO with Monto Minerals

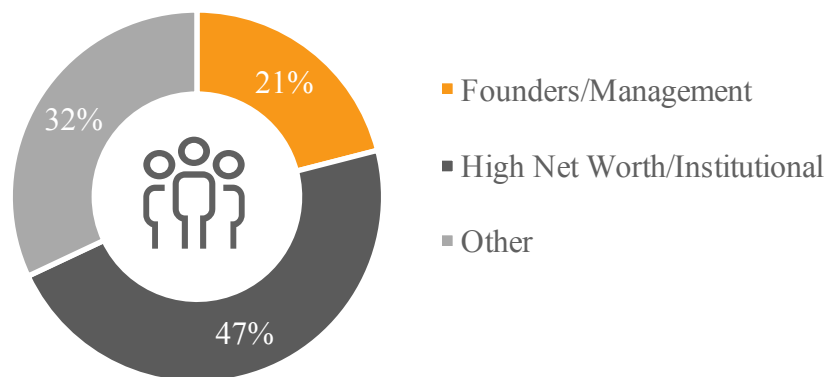
WHAT IS UGC?

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

CAPITAL STRUCTURE

ASX Symbol	SRO
Existing shares on issue (m)	375.9
Performance shares	120.0
Options (m)	77.1
Total	525.4
Market capitalisation (as at November 2016)	~ \$5 million
Share price (as at November 2016)	~\$0.017
Top 20 shareholders	51%

SHAREHOLDER STRUCTURE



INVESTMENT PROPOSITION



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



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



Strong customer validation – with over 30 US customers (representing over 50 brands) now paying SaaS fees, including UCLA, McDonalds, Costco and Universal Pictures



Early mover advantage with a clear growth strategy - international expansion, activated partnership channel set to generate large revenue contracts and new packages



Partnerships rapidly developing and rapidly growing sales pipeline with over US \$1.25m of potential contracts building up



Highly scalable business model - with recurring SaaS subscription fees and minimal fixed cost base and innovative management team

STRONG RECENT PROGRESS



Activated partnership sales channel



Continued direct sales momentum



Geographic expansion into Australia



Significant platform enhancements



Optimised cash flow maintaining core sales team

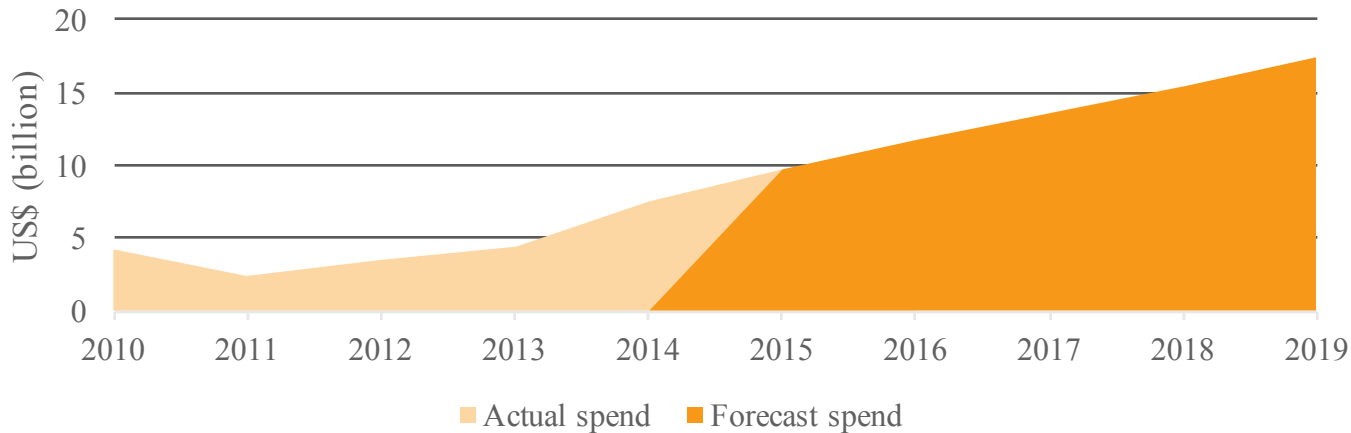


Growing sales pipeline

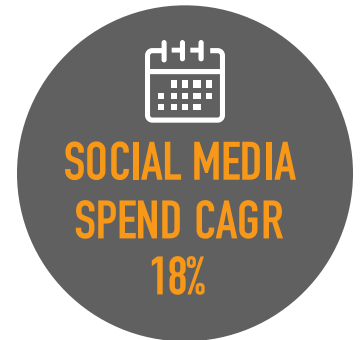
SECTION 2 — UGC MARKET & SHAREROOT SOLUTION

LARGE AND GROWING UGC MARKET

SOCIAL MEDIA MARKETING SPEND IN THE US



Source: Statista 2016



STRONG MARKET DRIVERS

Growth in global spending on marketing - over US\$540BN in 2015

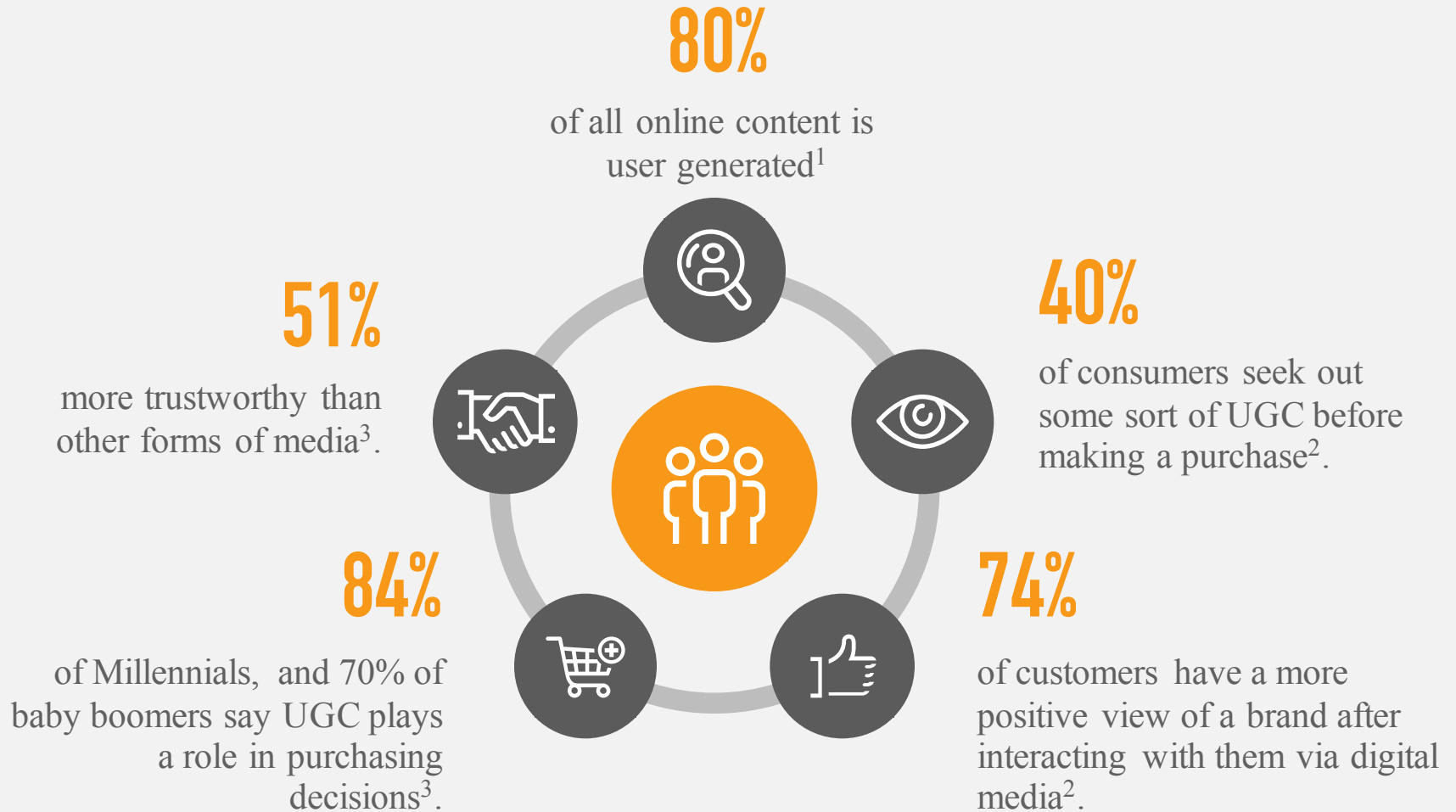
Key role of UGC in purchasing decisions

Need to minimise legal risk of unapproved UGC

Declining profitability of traditional advertising platforms

High growth of digital marketing

HIGHLY INFLUENTIAL



POINT OF DIFFERENCE

LEGAL OWNERSHIP

ShareRoot's solution allows brands to easily acquire the legal rights to content from consumer posts on Twitter, Instagram & Facebook

Brands can reach out to users and request the rights to use their content, for example photos

Once consent is given, a contract is signed

ShareRoot helps corporates avoid facing legal issues or litigation around the unapproved use of an image in marketing initiatives



CONSUMER APPROVAL
RATING - LEGALLY SECURING
RIGHTS TO CONTENT

SIGNIFICANT TIME & COST SAVINGS FOR MARKETERS

Time saving
for licensing
process



Time saving for
photo approval
process



Cost saving per
designer
modification



HIGH PROFILE LITIGATION CASES

PetaPixel

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Groupon Sued for Using Instagram Photos Without Permission

FEB 04, 2016 MICHAEL ZHANG

476 Shares

SHARE TWEET 311 G+ SHARE

16 COMMENTS

The Courier Mail

GROUPON



suit that claims the deals cost the photographers.

Lorna Jane 'stole from me'

A BRISBANE teen is seeking compensation from clothing giant Lorna Jane, claiming the company stole something from her - and then sold



theguardian

Instagram
US news blog

Instagram users begin fightback against stolen photos

Many users are finding their photos on other sites - and critics say Instagram is not doing enough to prevent image theft

Katie Rogers

@katerogers

Wednesday 6 February 2013 04:17 AEDT

SHARE TWEET 141

Comments

Save for Later



her Instagram image re-shared by an account with 174,000 followers is to stop the sharing. Photograph: Amanda Rettke/guardian.co.uk

Instagram clarified its terms of service to ensure they ship of their own images. But photographers on the f service and community guidelines don't stop other users from helping themselves.

ia Aziz was surprised to find a photo he'd posted to

PetaPixel

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Photographer Sues Richard Prince for Stealing His Instagram Photo

JAN 04, 2016 MICHAEL ZHANG

6018 Shares

SHARE TWEET 711 G+ SHARE

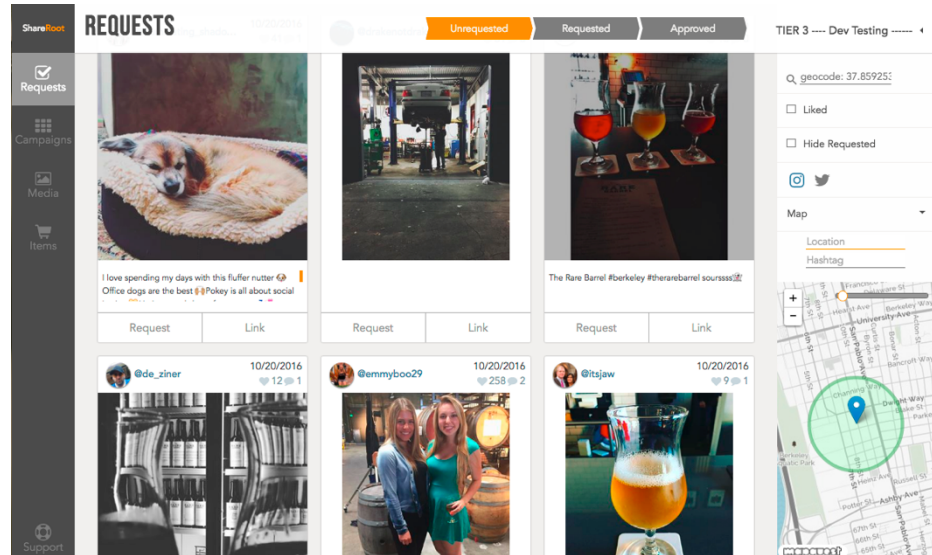
130 COMMENTS



Artist Richard Prince sparked huge controversy last year by taking Instagram photos without permission, making extremely small edits to them, and then selling them as fine art for up to \$100,000 each.

THE SHAREROOT SOLUTION

A SaaS PLATFORM THAT
GIVES BRANDS THE
ABILITY TO SOURCE UGC
FROM VARIOUS SOCIAL
CHANNELS AND USE FOR
MARKETING CAMPAIGNS



CONTENT SOURCING

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

CONTENT MANAGEMENT

Request & secure legal rights to the content from the content uploader

CONTENT PUBLICATION

Engage with consumers and fans with customisable galleries

MEASURING MARKETING EFFECTIVENESS

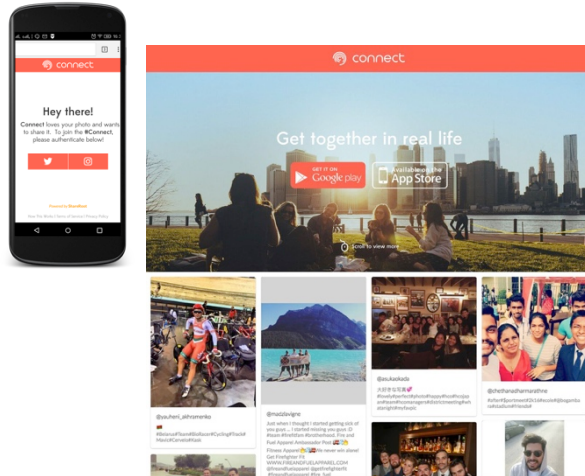
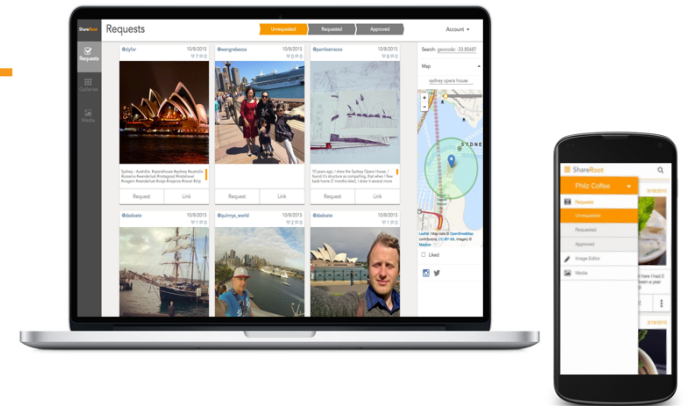
Click through and engagement rates

HOW IT WORKS



Utilises open APIs from Twitter and Instagram and Facebook Search tool that allows brands to seek out relevant videos and images

Videos and 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

Videos and Images can be re-posted on social or used anywhere else

Functionality to place videos images and streamed content in customisable galleries on the brand's website or live at an event

White labelling

COMPETITIVE POSITION

THE ONLY PLATFORM WITH A STREAMLINED PROCESS FOR LEGALLY SOURCING UGC

	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 LIVE EVENTS	AT FUNNEL UGC TO HOOTSUITE
SHAREROOT	✓	✓	✓	✓	✓	✓	✓
STACKLA		●	●	●		●	
TINT		●	●		●	●	
PERCOLATE		●	●	●		●	

CASE STUDY: UNIVERSAL PICTURES

SUCCESSFUL CAMPAIGN CONTRACT – THE SECRET LIFE OF PETS

Powered by ShareRoot's unique technology solution, Universal Pictures International Australia led campaign for the blockbuster movie

Delivered in conjunction with partner and leading creative content agency, Now We Collide

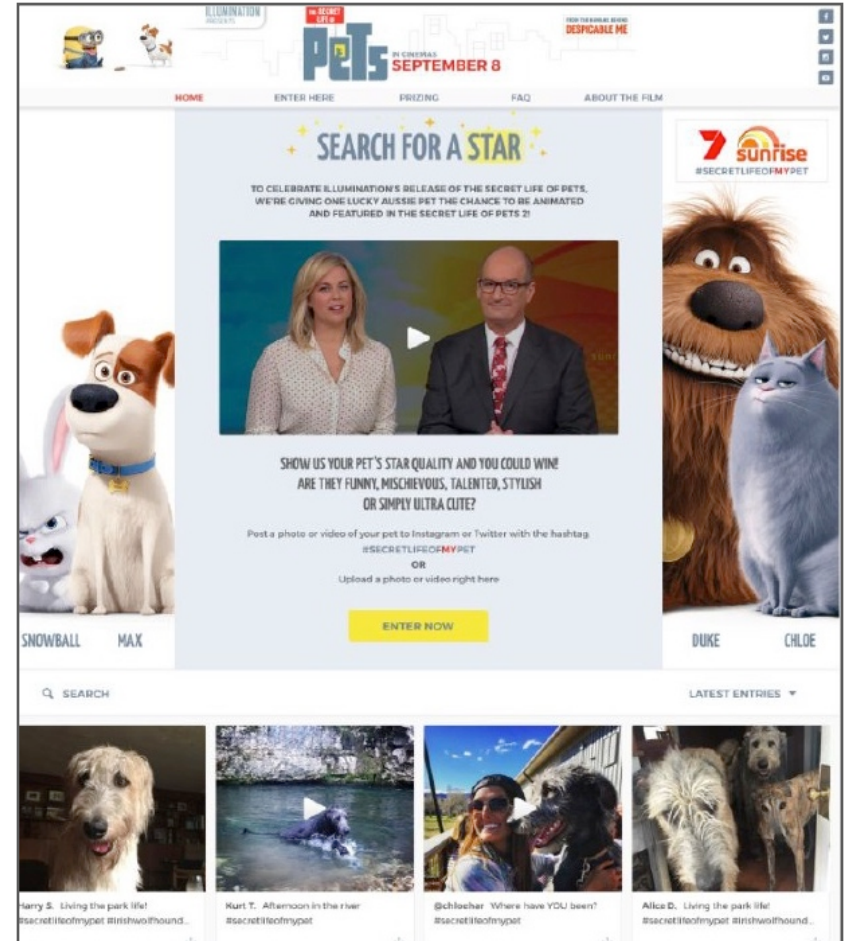
Two-week live campaign in September 2016

6,200

INSTAGRAM POSTS
WITH THE HASHTAG
#secretlifeofmypet

60,000

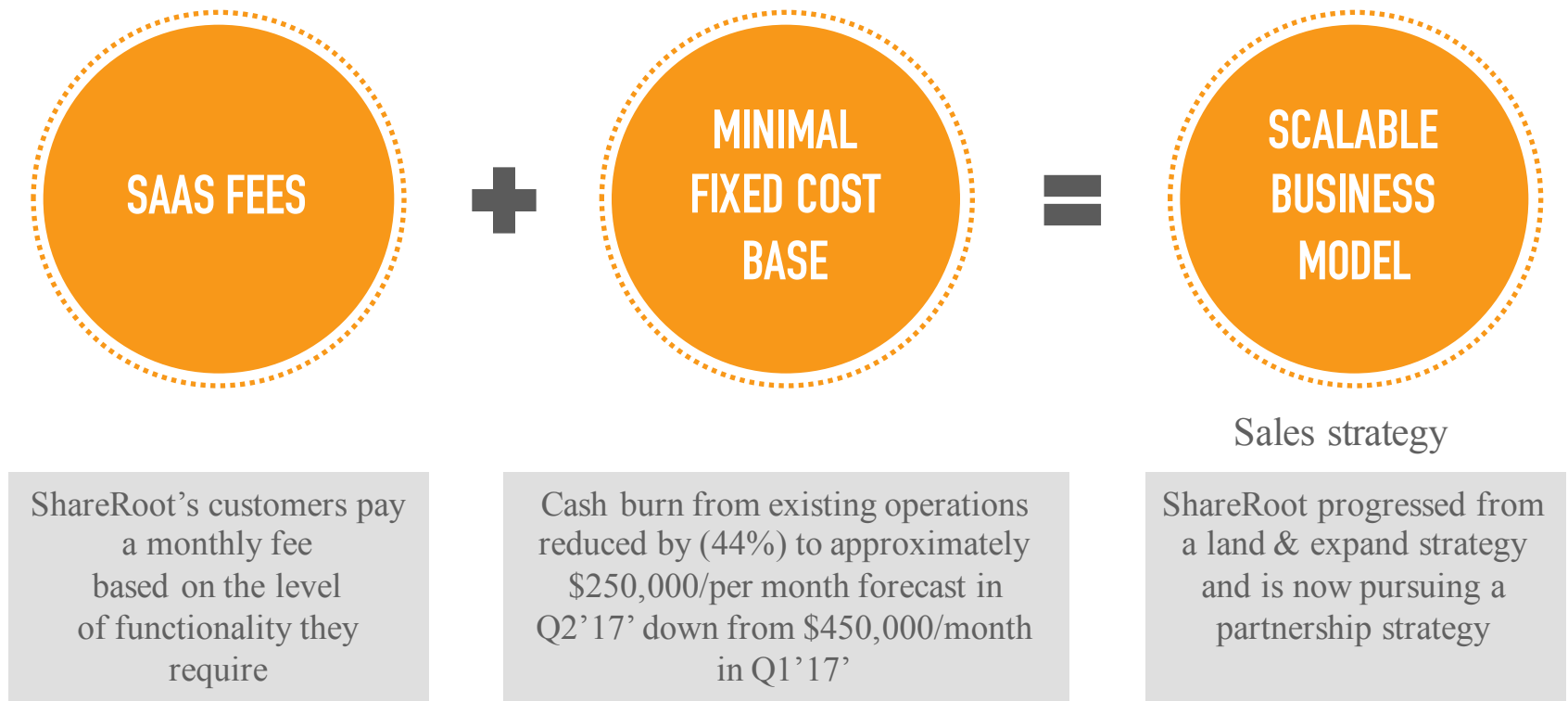
USERS VISITED THE
SECRET LIFE OF PETS
EXPERIENTIAL GALLERY



SECTION 3 – ACTIVATED GROWTH STRATEGY

SCALABLE BUSINESS MODEL

SHAREROOT HAS A STRAIGHTFORWARD, SOFTWARE AS A SERVICE (SAAS) REVENUE MODEL



STRATEGY EVOLUTION

DIVERSIFYING FROM PURELY LAND GRAB STRATEGY TO INCLUDE PARTNERSHIP DEVELOPMENT

Initial launch strategy

LAND GRAB STRATEGY – DIRECT SALES

- Compelling initial discount rates to gain critical mass
- Strong traction getting product insights and future developments from current clients. Acquisition Tier has led to applications of: whitelabeling (Enterprise Tier) and gallery (Display Tier), and performance (Monetize Tier)
- Customer referral program
- Potential for inorganic growth

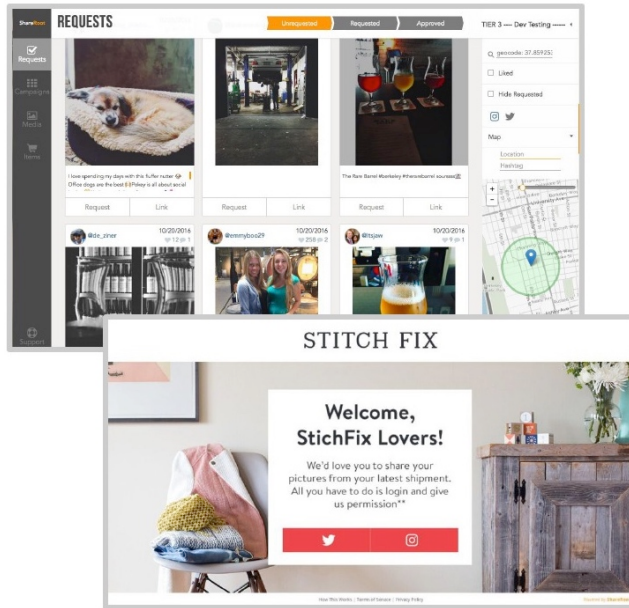
Focus going forward

PARTNERSHIP DEVELOPMENT

- Diversifying risk with lower personnel costs
- Leveraging our partners' sales force to target larger \$ value contracts and greatly improved margins
- Partnership types: reseller, technology integrations, strategic investment, exclusivity, white labelling
- Targeting: media and ad agencies, stock photography companies, government, news and reporting companies, email marketing

PLATFORM ENHANCEMENT

CONTENT ACQUISITION



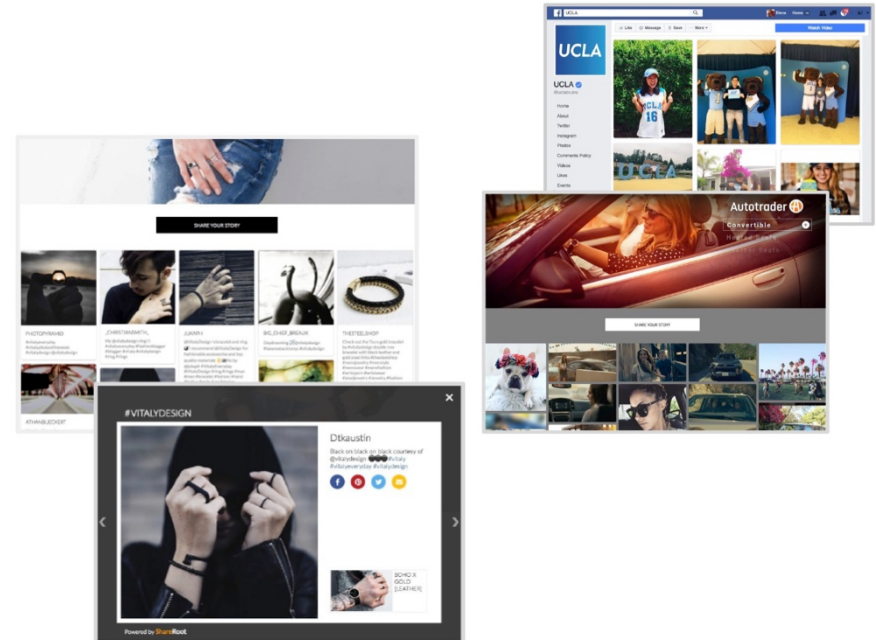
FEATURES

- Content mining
- Geo-fencing
- Customisation

ADD-ONS

- Conversion pages
- Upload widgets

CONTENT DISPLAY



FEATURES

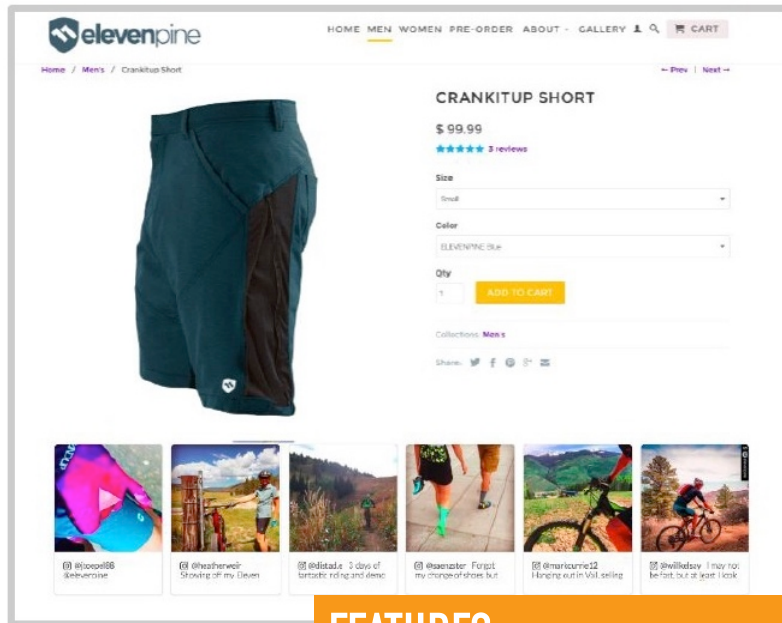
- Interactive
- Real-time
- Moderation

ADD-ONS

- Dynamic call to actions
- Shoppable Galleries

PLATFORM ENHANCEMENT

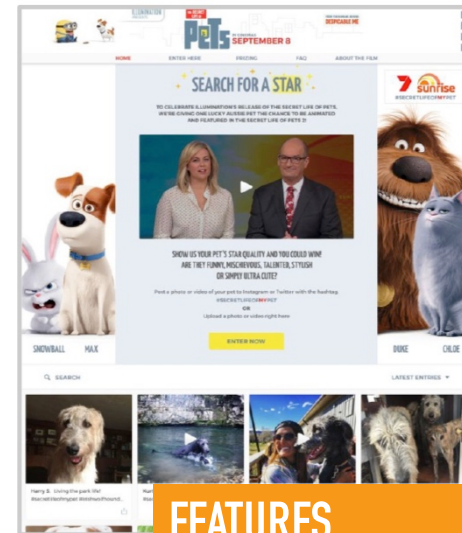
CONTENT MONITISATION



FEATURES

- Product pages
- E-Commerce Plugins
- Attribution Analytics

A LA CARTE POTENTIAL

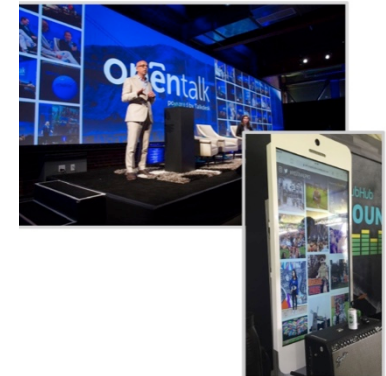


FEATURES

- Social Wall
- Contesting
- Experiential

LIVE EVENTS

- Ongoing development



STRONG CUSTOMER TRACTION

35%

CUSTOMER GROWTH RATE
PER QUARTER

32%

MONTHLY RECURRING
REVENUE INCREASE

230%

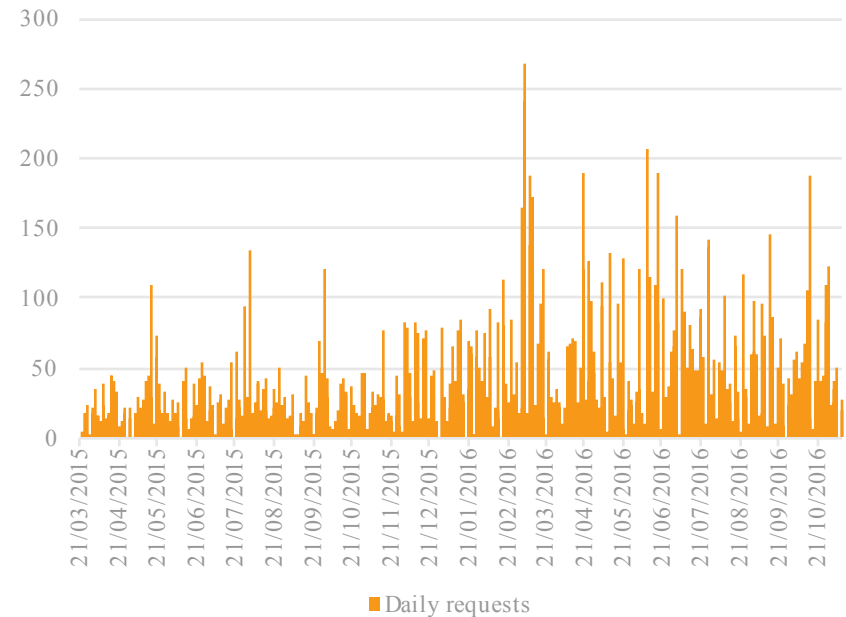
EXPANSION
REVENUE RATE

(growth in customer spend
when renewing a contract)

60%

CUSTOMER
RENEWAL RATE

DAILY CUSTOMER CONTENT REQUEST GROWTH



DIVERSE CUSTOMER BASE

TRACTION ACROSS MULTIPLE SECTORS, INCLUDING BLUE-CHIP NAMES, AND SMALL & MEDIUM ENTERPRISES

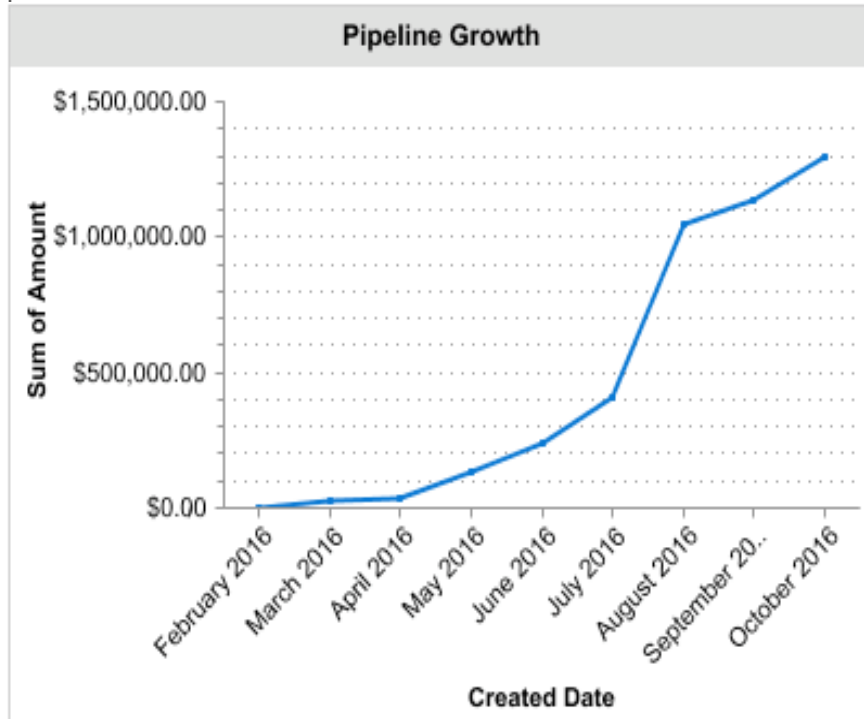
NEW PARTNERS IN PLACE

			
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SALES FORCE MOMENTUM

STRONG QUALIFIED SALES PIPELINE GROWTH

Value US\$ (Across 39 prospects)



\$1.25m

**Average sales cycle
~ 3 – 5 months**

**FY17 SALES PIPELINE GROWTH
FROM CUS\$250K TO CUS\$1.25M**

(excludes partnership sales pipeline.
Pipeline represents total revenue over life
of contract)

GROWTH STRATEGY

INCREASE UGC PRODUCT OFFERING

Ongoing refinement of ShareRoot's platform
Technical improvements in response to user feedback

EXPAND INTO NEW MARKETS

Pursue Partnerships, Resellers, Revenue Sharing
Self service package for SME market with development of self service account creation in 2017
Grow geographic footprint outside of the US

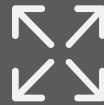
EXPANDING
MARKETS & IMPROVING
MARGINS

SECTION 4 – SUMMARY & OUTLOOK

MILESTONES GOING FORWARD



Launch of Self Service
customer package in 2017



Expanding the
functionality of current
Tiers



Optimised cash utilisation



Further new US &
Australian contracts,
renewals and upgrades



Further APAC customers



Further Partnerships,
Resellers, Revenue
Sharing contracts

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



Cost based reduced and partnership sales strategy in execution



Blue-chip customers, diverse customer base



Clear revenue growth strategy



Significant near-term news flow pipeline

ShareRoot

THANK YOU



**HARNESS THE VISUAL POWER
OF YOUR CONSUMERS**

Grow authentic unparalleled connections through visual content marketing

STRATEGY

ACQUISITIONS IN THE UGC SPACE AND SOCIAL MEDIA MARKETING SPACE

FIRST WAVE: SOCIAL MEDIA MARKETING COMPANIES

NAME	ACQUIRED BY	TRANSACTION VALUE
Wildfire	Google	\$350m
Buddy Media	Salesforce	\$670m
BLiNQ Media	Gannett	\$40m

SECOND WAVE – SOCIAL MEDIA ADVERTISING COMPANIES

NAME	ACQUIRED BY	TRANSACTION VALUE
AdParlor	Adknowledge	\$40m
SHIFT	Brand Networks	\$50m

THIRD WAVE – UGC VISUAL MARKETING COMPANIES

Recent acquisitions of ShareRoot's competitors in the UGC space:

NAME	ACQUIRED BY	TRANSACTION VALUE
Livefyre	Adobe	Not disclosed
Olapic	Monotype	\$130m
Postano	Sprinklr	\$2.4m
Engage Sciences	Wayin	Not disclosed

**SHAREROOT
PRESENTS A UNIQUE
OPPORTUNITY IN A
MARKET THAT IS
HEATING UP**

INTRODUCTION

LEADERSHIP TEAM

BOARD



NOAH ABELSON

**Managing Director, Executive
Director**

Led US sales from \$0 to \$3.1M in Q3 alone for AdParlor (Facebook Advertising company).



ANDREW BURSILL

**Non Executive
Director**

Principal of CFO Innovation with 15 years experience with ASX listed companies.



MARC ANGELONE

**Executive Director, CTO &
Founder**

Helped lead mobile development for Millennial Media through their IPO on the NYSE.

INNOVATIVE TECHNOLOGY: SHAREROOT SOLUTION

ACCOLADES AND AWARDS

SHAREROOT HAS BEEN RECOGNISED AT MULTIPLE LEADING
INDUSTRY EVENTS, INCLUDING:



**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

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

