

14 December 2021

Award of Material Contracts to Pointerra's US Operation

Highlights:

- **US energy utility Entergy awards contract for between US\$2.37 million and US\$4.00 million (A\$3.29 million to A\$5.56 million)**
- **US energy utility Pacific Gas & Electric awards contract for minimum US\$0.70 million (A\$0.97 million)**
- **US energy utility Gulf Power awards contract for US\$0.05 million (A\$0.07 million)**

Pointerra Limited (ASX: 3DP) ("Pointerra"; "Company") is pleased to confirm the award of material contracts by new and existing US energy utility customers.

Entergy Corporation (NYSE:ETR)

Entergy Corporation (Entergy) is an integrated energy company engaged primarily in electric power production and retail distribution operations. Entergy owns and operates power plants with approximately 30,000 megawatts of electric generating capacity.

In addition to its electric generation, transmission, and distribution businesses, Entergy also operates natural gas distribution businesses in Baton Rouge and New Orleans. Entergy Corporation has annual revenues of more than US\$12 billion, employs more than 13,000 people and delivers electricity to approximately 2.8 million utility customers in Arkansas, Louisiana, Mississippi and Texas.

During late August and early September of this year, Entergy's service area was severely impacted by Hurricane Ida, a deadly and destructive Category 4 Atlantic hurricane that became one of the most damaging and intense storm systems to ever make landfall in the US.

As part of its post Hurricane Ida response activities and to better understand the impact of the storm event on its electricity network, Entergy issued a Request for Proposal (RFP) during October, which the Company responded to. The RFP scope was for the procurement, processing and analysis of LiDAR data over selected Entergy service areas, with the project to commence during December and be completed by the second quarter of calendar 2022.

Pointerra has been formally awarded the project with a contract sum of between US\$2.37 million and US\$4.0 million. The actual contract sum will be determined in conjunction with Entergy management and will depend on the extent of the scope of the LiDAR capture area, which will be determined during the initial onboarding and planning phase of the project in coming weeks, however the initial contract sum will be for a minimum of US\$2.37 million.

The contract includes hosting the processed and analysed LiDAR data from this project in the Pointerra3D digital twin platform for an initial 12-month period. Significantly, Entergy's spend with the Company is also expected to grow over time as more service areas and data are added to support the gradual build-out of Entergy's network-wide digital twin in the Pointerra3D platform, pursuant to the newly awarded contract vehicle with Entergy, which is capable of being added to over time by different Entergy business units.

PG&E Corporation (NYSE:PCG)

Following the award of a US\$0.18 million vegetation management R&D project by existing customer Pacific Gas & Electric (PG&E) in September, PG&E has awarded the Company an additional US\$0.70 million contract to deploy Pointerra's Utility Suite (comprising elements of the entire Pointerra3D Core, Analytics & Answers product stack) across selected PG&E business units to commence building a digital twin for PG&E in the Pointerra3D platform using data previously acquired by PG&E across specific service areas.

The contract is for an initial period of 14 months, commencing 1 January 2022, and importantly is based on a pricing schedule and contract vehicle that will be added to by PG&E as Pointerra works with PG&E to identify additional business units, service areas and data to load in the platform to support the build-out of PG&E's network-wide digital twin in the Pointerra3D platform.

Gulf Power (Division of NextEra Energy; NYSE:NEE)

Following the award of US\$1.13 million in contracts by existing customer NextEra Energy and its operating division Florida Power & Light in September, Gulf Power (another operating division of NextEra Energy) has awarded the Company a \$0.05 million contract to process LiDAR data using Pointerra3D Core and Analytics. The project is expected to take 6 weeks to complete.

Whilst modest, the new contract is expected to lead to further work with Gulf Power who have recognised that the Pointerra3D platform offers an easy to use, timely, affordable and scalable solution to the entrenched problem of quickly accessing insight and answers from LiDAR data once it has been captured by 3rd party contractors.

Further expansion of the adoption and use of Pointerra3D by NextEra Energy and its operating divisions (including Florida Power & Light and Gulf Power) is expected to occur in coming months and quarters, resulting in further growth in ACV spend by the wider NextEra Energy group.

Impact on ACV and Outlook

Since the Company last reported ACV (Annual Contract Value) run rate of US\$11.7 million on 29 October 2021, Pointerra has continued to add new customers and also generate growth in spend by existing customers across a broad range of key sectors (Surveying & Mapping, AEC, Utilities, Transport, Mining, Oil & Gas) in the US and Australian markets, over and above the contract awards disclosed in this announcement.

This growth coupled with the contract awards disclosed in this announcement have generated further uplift in Pointerra's US\$ ACV run rate and the Company looks forward to updating the market with a revised US\$ ACV run rate as appropriate (at least on a quarterly basis), with the next update being provided by 31 January 2022 at the latest.

Looking forward into calendar 2022 and 2023, the Company also expects that recent and ongoing investments in new people, capability, product and R&D activities to solve sector-specific challenges in the emerging growth sectors of AEC, Transport, Mining, Oil & Gas and Defense during recent quarters will begin to accelerate and diversify additional positive ACV outcomes for Pointerra.

The Company is confident that growth in new customer acquisition and spend by existing customers in these emerging sectors can begin to match the ACV trajectory generated by the energy utility sector, following the significant investments made by Pointerra in bespoke product development to solve entrenched energy utility sector-specific challenges during calendar 2019, 2020 and 2021.

As with previous ACV market updates, the Company again notes that quarter-on-quarter cash receipts may continue to be variable as new customers are onboarded with a variety of different payment cycles including monthly, quarterly, annually and even multi-year in advance agreements.

Further, and as previously advised, any individually material contract awards will be separately announced to the market as they are confirmed by customers.

This announcement has been authorised and approved for release to the ASX by the Board of Pointerra Limited.

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