



ASX Announcement
10 April 2018

LINIUS INVESTOR PRESENTATION

BUSINESS UPDATE AND EXPANDED NEAR TERM GOALS

- **Linius extends list of near-term goals (NTGs), including a target of 6 revenue generating contracts**
- **Previous NTGs close to completion**
- **Company continues on path to grow the scale and penetration of virtual video**
- **Updated investor deck released**

Linius Technologies Limited (ASX: LNU) (Linius or the **Company**) is pleased to provide its current investor presentation along with a business update on its near term goals.

Linius continues to execute on its core growth strategy of delivering replicable solutions to scale its business and the adoption of virtual video.

Seven of eleven near-term goals on this path have been completed, with the remainder nearing conclusion.

In September 2017, the Company announced eleven Near Term Goals (NTGs). The objective of the NTGs was to provide a path to revenue and scale – moving towards the vision where all the world’s video is accessible as data.

In the preceding six months, Linius has achieved seven of those original goals, with the completion of three more imminent, and the replacement of one:

- ✓ Deliver the integration of VVE into IBM’s Cloud (Oct. 2017)
- ✓ Deliver the integration of VVE with at least one world leading Over The Top (OTT¹) platform (Oct. 2017)
- ✓ Engage with a global movie studio to develop Proof of Value (POV) in anti-piracy (Oct. 2017)
- ✓ Deliver the integration of VVE into Microsoft Azure (Dec. 2017)
- ✓ Deliver blockchain strategy and solution design (Dec. 2017)
- ✓ Deliver the integration of VVE with at least one cognitive AI provider (Dec 2017)
- ✓ Engage with a global movie studio to develop a mass content distribution POV (Feb 2018)
- Deliver an end-to-end piracy solution with a movie studio
- Deliver POC (proof of concept) of Search in a global cloud environment
- Convert initial deal flow with IBM

¹ OTT – “Over The Top”, a term of art for television delivered over the public Internet (e.g., by Netflix)

- Deliver the integration of VVE with Major OTT ad servers

Of the remaining four goals, delivery of an end-to-end piracy solution and a POC of search in a global cloud environment is well underway and will be completed, pending conclusion of already announced POCs with Warner Bros., Oklahoma State University, and MediaAMP. The pipeline with IBM is growing, and the Company expects conclusion of that NTG imminently. The remaining NTG, integration with major OTT ad servers, has been replaced by the launch of a SaaS platform for the Linius' Video Virtualization Engine. Integration with ad servers remains a priority for the business, but a SaaS offering provides more immediate opportunity to scale the business quickly, in line with Linius' broader strategy of riding the wave of cloud investment by major SaaS providers. As previously announced, the SaaS platform is in closed trials with external engineers and close partners, and the Company expects it to launch for general availability before the end of April.

New NTGs reinforce the tactical importance of aggressively growing penetration and adoption of virtual video; but also move directly into revenue generation.

Updated NTGs

Given the imminent completion of the NTGs, the Company has set out new, additional NTGs as tactical targets *en route* to achieving its ultimate vision. Over the next three to six months, Linius expects to achieve the following goals (including those existing NTGs remaining), which are intended to both drive revenue and the long-term goal of increasing the penetration of virtual video:

- Deliver an end-to-end piracy solution with a movie studio (POC announced - delivery Q2 2018)
- Deliver POC (proof of concept) of Search in a global cloud environment (POC announced - Delivery Q2 2018)
- Convert initial deal flow with IBM
- Launch VVE as a SaaS platform
- Sign an education-sector reseller
- Close 2 revenue-generating deals in the education sector
- Close 2 revenue-generating deals in the news or sports sectors
- Sign a second (beyond IBM) global "name" partner
- Close 2 revenue-generating deals (other than the four sector-specific ones above)
- Integrate IBM search capability

Background

Linius' initial NTGs, announced in September, 2017, were structured as tactical goals to move the company aggressively along the path towards its vision.

There is a global trend towards cloud computing:

- the major cloud providers are investing billions in the virtualization of the video process and in artificial intelligence, but are missing the link to take those features through to the ultimate value proposition for their clients;

- blockchain promises a future where rights to digital assets are as strong as those for physical assets. The cloud providers have the infrastructure to enable mining and deployment of blockchain, but it can't work with the size of current digital assets in general, and certainly not with video;
- Linius' virtual video solves both of these problems and connects the leading technologies in today's market with the inherent value of video.

Executing on the Company's initial NTGs has put it in the ideal position to transform the global video market.

Proofs of Concept

The old saying, "seeing is believing," exists for a reason. To that end, Linius has invested in a few, strategic POCs, to show the world the power of virtual video. This is the premise behind the arrangements with Warner Bros., Oklahoma State University, and MediaAMP.

Linius expects these strategic POCs to lead directly to revenue. While there will certainly be future trials, and potentially more POCs, the vast majority of these will be commercial in nature where the client pays for the project and is committed to executing or negotiating a commercial deal, post successful outcome of the trial.

"I firmly believe in the Company's vision, mission, and strategy. We're changing the world of video," said Linius CEO Chris Richardson. "Our initial near-term goals were all about putting us on a path to revenue and scale. This current set is about 'crossing the chasm'. I have no doubt that the path to maximizing shareholder value is a combination of revenue generating deals, with continued investment in opportunities that scale the opportunity for the deployment of our patented technology."

To that end, Linius' updated NTGs include six revenue-generating deals across a variety of market segments, combined with expanding and deepening partnerships.

About Linius Technologies Limited

Linus Technologies Limited (ASX:LNU) has invented and patented the Video Virtualization Engine™ (VVE), which is available on Amazon Web Services, Microsoft Azure and IBM Cloud.

Amazon, Microsoft and IBM are investing billions in virtualizing video services (technologies) and artificial intelligence in the cloud. It is arguably the biggest battle on the internet, given that video accounts for nearly 80 percent of internet traffic.

Only Linus can expose the data that makes up the video file, making cumbersome video as flexible as all other forms of data. Accessing the data within the video file is the missing link for video cloud service providers, creating unparalleled value across the internet video industry.

Linus has the potential to transform many multi-billion dollar markets, and is initially focused on:

- **Anti-Piracy:** Applying proven data protection methods to video to solve piracy
- **Search:** Search within videos and compile new videos on the fly
- **Security and Defense:** Intelligent search and immediate distribution of security footage
- **Personalized Advertising:** Hyper personalized to individuals, timeslots and content

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