

### Making mining better.

Digbee is a technology company that builds solutions for the extractive mining industry. With our mining ESG **products**, **platforms** and **services**, we aim to improve risk, improve transparency and foster a stronger and better global mining community for all. Our overarching mission is to **make mining better**.

#### Digbee Products & Solutions

**Digbee ESG Platform**

A comprehensive ESG platform that provides mining companies with a central hub for all their ESG data, reports, and disclosures. It offers a user-friendly interface for data collection, analysis, and reporting, ensuring transparency and accountability across the value chain.

**Digbee ESG Solutions**

A suite of tailored ESG solutions designed to address the unique challenges of the mining industry. These solutions cover areas such as environmental impact, social responsibility, and governance, providing actionable insights and recommendations to improve overall ESG performance.

Digbee ESG  
Recent Mining ESG Disclosures



ESG

CLIMATE

SOCIAL

GOVERNANCE

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    - (A) if the body corporate has more than 20 members or is a subsidiary undertaking of an undertaking which has more than 20 members, £500,000;
    - (B) otherwise, £5 million; or
  - (ii) they are an unincorporated association or partnership which has net assets of not less than £5 million; or
  - (iii) they are the trustee of a trust where the aggregate value of the cash and investments which form part of the trust's assets (before deducting the amount of its liabilities):
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    - (B) has been £10 million or more at anytime in the previous year; or
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# Table of contents

Executive summary	4
Market opportunity	5
Digbee's business model	7
The Digbee solution	8
Endorsements	11
Product market fit	12
The Digbee team	13
Investors	14
Financial highlights	14
Growth / exit strategy	16
The offer	17
Investment rationale	18
SWOT analysis	19
Conclusion	19

## Executive summary

The era of critical minerals has arrived and it's the most momentous change the industry has seen in decades.

In 2020, Jamie Strauss the founder of Digbee, was encouraged by the world's largest asset manager, Blackrock Inc., and the mining sector's leading private equity investor, Orion Resource Partners, to develop an ESG solution specific for the global extractive mining industry with the mission to standardise industry disclosure and encourage new investment. As the sector takes centre stage of the energy transition, this vision has led Digbee to be recognised as the leading ESG Assurance solution within the mining industry and its financial stakeholders.

Digbee is a sector specific ESG Assurance and data company for the extractive mining sector. Digbee collaborated with Tier 1 capital providers to build a software-based ESG disclosure solution designed to deliver effective ESG, removing greenwash and appropriate for financial due diligence to overcome the considerable credibility challenges faced by the industry. With [80% of professional investors](#) now incorporating ESG investment policies, the mining industry either adapts or will fail to fully integrate into mainstream investment.

The solution was launched in 2021 with strong endorsement from financial partners such as Blackrock, Standard Chartered, BMO and Orion Resource Partners. Recent endorsements from those such as France's new critical mineral fund, Infravia, is accelerating Digbee's traction and growth which, following recent conversations, could be further accelerated by the Irish Critical Mineral fund. The company now has 28 customers ranging from small explorers to multi asset producers. The annual license fee includes a strong industry incentive to repeat annually. Digbee has completed over 59 assessments on companies and their projects in all major global mining regions.

The era of critical minerals has arrived and it's the most momentous change the industry has seen in decades. Miners, of all sizes, are beginning to adapt and reposition themselves in order to differentiate and take advantage. Sustainability and data is at the forefront of this revolution that will protect social license, enable greater access to capital, enhance perception and boost productivity.

Digbee's leadership of sector specific independent ESG assessments provides a unique opportunity to rapidly grow its core product while leveraging data for new solutions to be upsold into the industry, finance and insurance.

The business is valued today at £6m (~U\$7.5m) based on expected annual sales to 31/3/2025 of U\$1.4m which is a multiple of 5.3 times. The founder and CEO, Jamie Strauss is investing a further U\$200k of his own funds, in addition to investments of almost \$500,000 from mining specialist institutions and influential investors in this funding round (all on the same terms).

Management is forecasting sales of U\$8m by the end of the third year and an EBITDA of U\$1.38m. Using the latest available valuation data from KBCM's SaaS survey this would value the business at U\$80m based on 10x revenue multiple - an 1060% return. If we extend this to 5 years, where EBITDA is forecast at \$11.75m, and based on EBITDA multiple of 25x then this would value the business at \$293m.

## Market opportunity

There are over 25,000 mining companies globally which creates a \$500m market opportunity; this is expected to grow significantly from a sector cyclical low. Digbee is initially focused on the current 4,500 publicly traded companies. The total number of publicly traded mining companies tends to double from the low cyclical point as capital returns. Given the unique circumstances surrounding the expected new cycle due to critical minerals and the requirement for a step change in the supply of minerals, there is no reason to believe that history won't repeat itself.

PWC reported in late 2023 that 70% of investors polled agreed that ESG should be embedded directly within a corporate strategy. At the same time Bloomberg highlighted one of the leading challenges for investors is the constantly evolving and new ESG data content.

Regulators, investors, and the supply chain are increasingly demanding the disclosure and reporting of sustainability, coupled with improved sector-specific data. From a practical point of view, the mining industry is striving to improve its perception within society and finance and sees the opportunity to do this by demonstrating responsible development through credible non-financial disclosure.

Having succeeded in incorporating ESG as a mandatory reporting function, regulators are increasingly moving towards independent assurance of disclosures. Investors, and buyers of metals and materials, are looking beyond compliance reporting in order to mitigate risk, differentiate companies/products and hold companies more accountable in their intentions.

Having established a strong brand recognition within the mining sector and its investor stakeholders, the opportunity presented to Digbee is twofold:

**Firstly**, to accelerate the sales growth of Digbee's ESG Assurance product, supported by our clearly defined Ideal Customer Profile. Access to capital has never been more difficult or more expensive. ESG Assurance prepares management teams ahead of required due diligence and provides capital providers with the means to efficiently conduct due diligence as well as provide an ongoing monitoring capability.

**Secondly**, the collection and creation of sustainability data through the assessment process provides Digbee with a unique opportunity to leverage our data leadership within sustainability into solutions applicable for multi-customer segment adoption. Development of data solutions such as sustainability benchmarking can be introduced to financial, insurance and other stakeholders as upselling opportunities.



PWC reported in late 2023 that 70% of investors polled agreed that ESG should be embedded directly within a corporate strategy

# What is driving the growth in ESG disclosure within the mining industry?

The ESG software market size was valued at \$1.1bn in 2022 and was forecast to quadruple within 5 years to over \$4bn (KPMG survey of Sustainability Reporting 2020). There are several reasons for this growth:

- 1. Increasing regulation** on a global basis, driven primarily by the Paris Accord and subsequent COP Agreements, to address global warming and to improve corporate responsibility on social and environmental issues
- 2. Consumer demands** for more sustainable products – 46% of consumers [polled by Pwc](#) in May 2024 stated they are buying more sustainable products to reduce the impact on the environment
- 3. Social license to operate** – the informal acceptance by local communities near to mining sites, has become increasingly complex with greater connectivity and concerns on the environment and social impact.
- 4. Rising Investor demands** with expanding institutional due diligence incorporating sustainability as a risk mitigation tool, there is increasing requirement for assurance and data.
- 5. Reputational risk** is a top 5 priority for 55% of companies polled by WTW. ESG risks at mining companies are some of the highest of any sector and is a major disincentive for future investment.
- 6. Product acceptance** – differential pricing of commodities based on ESG type metrics along with the requirement of digital battery passports to provide ESG data and provenance of materials sold into EU, China and most likely USA.

“[Sustainability] is the number one priority for our Investment Committee and due diligence procedures.”

**Philip Clegg**

Managing Partner

Orion Resource Partners



## Digbee's business model

In 2021 Digbee launched its ESG Assurance product with the endorsement of leading mining investment institutions such as Blackrock, BMO, Standard Chartered and Orion Resource Partners. This has been consistently added to and recently Digbee was awarded ESG Assurance Partner by Infravia, the newly formed French critical mineral fund that is being seeded with €500m by the French Government. The support of financial institutions and other industry stakeholders is a cornerstone of Digbee's business model to attract mining companies to adopt its ESG Assurance product but also to provide benchmarking and other solutions in the future back to these institutions.

The mining industry is made up of the 20:80 rule. 20% of companies are producers which are financially viable, 80% are considered as developers or explorers who require regular financing by their investors. By providing the assurance and data to the investment community, Digbee has identified a growing requirement for investors to carry out efficient due diligence and offset reputational risk. With no comparable competition and first mover advantage to create a credible and leading ESG Assurance brand within an industry so dependent on mitigating ESG risk, Digbee is growing its reputation to become the recognised ESG Assurance "kite mark" and thereby encouraging the financial sector to demand a Digbee assessment.

Digbee invoices its mining company customers at the time of the online submission, but before a final report is drafted and a certificate of completion is awarded. The invoice is required to be paid (typically 2 weeks) before the "Draft" ESG Report is sent to them. On completion of the "Final" Report, Digbee issues the company with a one year certificate of completion. Combined with the transparent scores and the market encouragement for ongoing monitoring and long term sustainability journey, the company is strongly encouraged to continue its annual assessments.

Digbee will enhance its product offering to include a 3 year subscription package as well as offering a monthly payment option.



An example of a recent Digbee ESG certification

No comparable competition and first mover advantage...

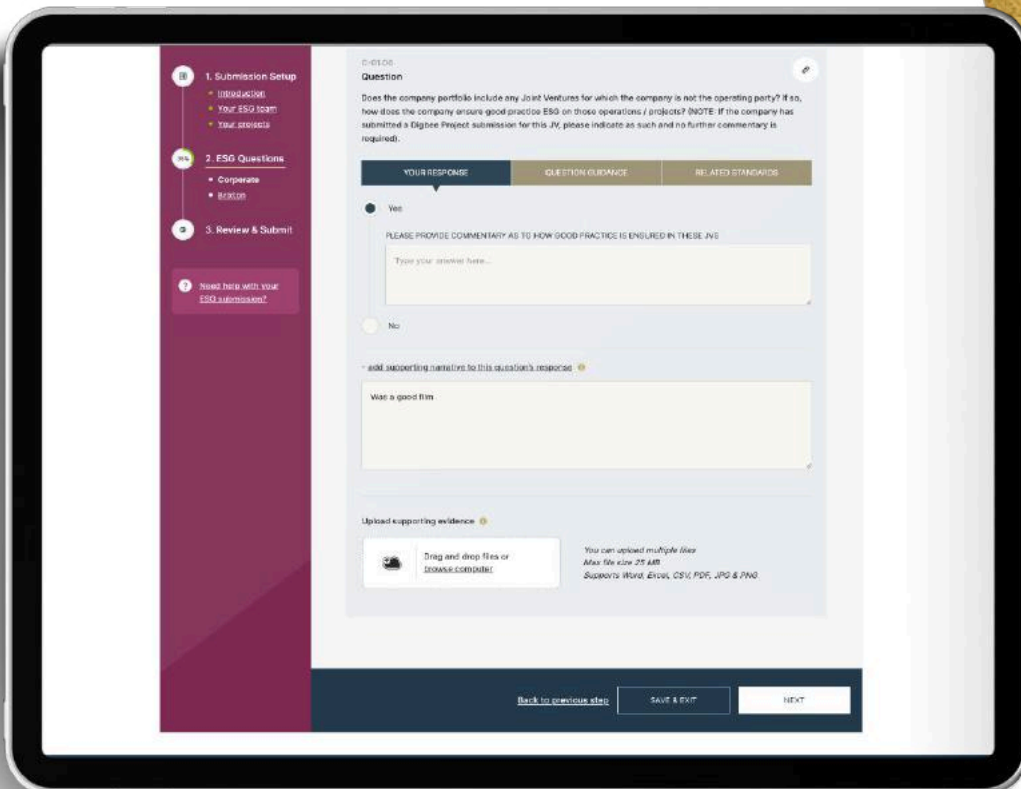
# The Digbee solution

The founder was encouraged by senior mining finance persons from Blackrock and Orion Resources in 2020 to use Digbee's existing software platform and database to develop an ESG solution unique to the mining industry. Following extensive research and discussion with the mining investment community, it was decided to pivot the original research business model into an ESG platform.

The solution, was built to address three key challenges:

1. Remove confusion
2. Raise credibility
3. Communicate

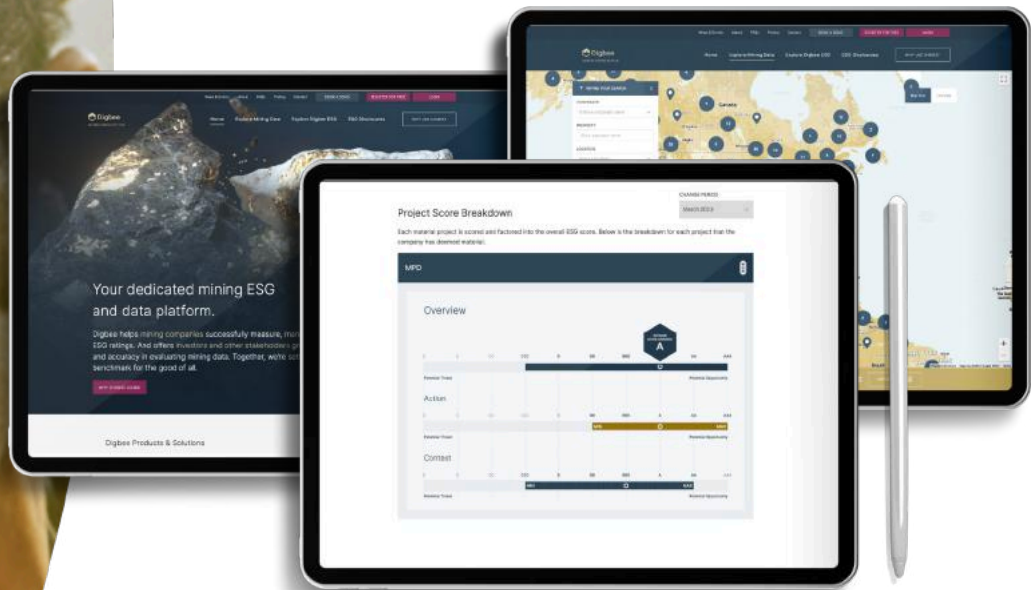
In collaboration with the investment community and the mining sector it developed a set of right sized and future looking ESG frameworks that are aligned to global standards. Adopting this through a software portal, Digbee then incorporates an independent assessment utilising its ESG partners and expert network to deliver an ESG Report for both the Company and its submitted projects which delivers high quality and actionable observations usable by management and Boards of Directors.



Digbee's ESG frameworks completed by miners online



One of the key aspects of ESG is increased transparency and accountability. The mining sector is deeply untrusted in society and finance. With sustainability covering virtually all aspects of a mining company, the opportunity to raise trust and confidence with local communities, regulators, offtakers and investors is immense. Digbee provides mining sector stakeholders with transparency through the publication of many parts of the ESG Report from the second year assessment, including scores and both positive and negative observations.



Digbee's ESG portal is designed with the user experience in mind

“A single source of truth

**John de Vries**  
CEO, Black Rock Mining

A Digbee ‘Assured’ company would typically take six months off the timeline to complete their required Equator Principles process.

While the solution is contracted by the mining company, the ESG Report and accompanying data is used by multiple stakeholders. A Digbee customer, John de Vries, CEO Black Rock Mining, called it “The single source of truth”.

## Boards of Directors

Depending on the jurisdiction, Boards are “required to consider sustainability at the point of decision making process”. Digbee’s comprehensive and independent ESG assessment provides Boards with the information required to carry out their fiduciary duties. Further, it provides all Directors and particularly the ESG committee with the structure and clear observations for them to prioritise and strategise on material areas of risk and opportunity.

## Investors

ESG considerations have become embedded within institutional due diligence and research yet is inefficient, lacks standardisation and fraught with greenwash. Increasingly recognised as a tool for assessing risk and ensuring transparency, companies with strong ESG are often better positioned for long term sustainable growth and more resilient to crises. Digbee’s forward looking, sector specific, bottom-up assessments and annual assessments provide investors with far more effective, accurate and efficient assurance than traditional rating agencies and enhances accountability. With reputational risk being a significant restriction on investment into the mining industry, Digbee’s independent assessments enable investors to align their portfolios with their goals and mandates.

## Insurers

Insurers increasingly require independent ESG assessments to accurately assess and mitigate risks, ensure regulatory compliance, protect their reputation, enhance financial performance, align with sustainable principles, and differentiate themselves in the market. These assessments provide critical insights that help insurers make informed underwriting decisions and promote long-term sustainability and resilience within their portfolios.

## Regulators

Mining companies and their activities are regulated in multiple ways and typically across different jurisdictions. Sustainability, and the disclosure of ESG type metrics, is a central function of the permitting of mine sites as well as governance of companies. Independent assessments provide management with

the means to comply with regulations and, in many parts of the world, enhance mine permitting timeframes.

## Management

An independent ESG assessment is not just about compliance but about strategic positioning of the company for long term success. It aligns business operations with broader societal expectations, mitigates risks, enhances operational efficiency, provides access to capital, enables credible and efficient stakeholder engagement and builds a strong, positive corporate reputation. Further, it supports strong internal communication with Board of Directors and operating teams while ensuring management can lead the narrative with contractors in developing and operating a sustainable mine of the future. The early adoption of an independent ESG assessment will better prepare companies for future finance and transactional due diligence as well as their community relations.

## Bankers

Inclusion of sustainability due diligence as part of project finance and M&A transactions has been established for many years but has now taken central prominence to protect reputational risk, ensure social license to operate is in place and mitigate potential ESG liabilities. ESG factors can have a significant impact on company/project valuations and those companies with strong ESG credentials are more likely to find more favourable financing terms. A senior banker from a major French project lending institution recently stated that a Digbee “Assured” company would typically take six months off the timeline to complete their required Equator Principles process.

## Local communities

Social license to operate can be defined as the informal approval and broad acceptance of society to conduct stated activities. The mining industry poses many social and environmental challenges to local communities near to mine sites. Through strong and transparent engagement with communities, supported with an independent ESG assessment, mining companies can identify and mitigate risks, action opportunities and communicate long term aspirations to enhance social and environmental impact.

## Endorsements

**BlackRock**

“Digbee ESG is unique in that it anchors itself to leading standards while providing a right-sized and simple approach for the entire sector to engage.”

**Evy Hambro Global Head of Thematic and Sector Investing**

**BHP**  
Xplor

**BMO**  Capital Markets

 standard  
chartered

**Amati**  
Global Investors

 **GOWLING WLG**

“Digbee’s platform provides the junior sector with the necessary tools to simply disclose, to a right-sized set of frameworks and aligned to global standards which can be recognised by their peers and other stakeholders. We welcome and support this initiative to the benefit of the whole industry.”

**Neal Froneman, CEO Sibanye-Stillwater**

**ARCH**

 **DUNDEE**  
CORPORATION

 **APIAN**  
CAPITAL  
ADVISORY LLP

“Digbee ESG simplifies disclosure for mining companies while providing a credible means to track these companies for the benefit of all stakeholders.”

**Ross Allister, Director, Peel Hunt**

**FASKEN**

**PEEL**  
**HUNT**

**Premier Miton**  
INVESTORS

**TEMBO**  
CAPITAL

“Digbee's solution allows us to assess and track ESG metrics in an efficient manner, advancing due diligence in our investment assessment while also supporting company management in their efforts to improve their ESG performance.”

**David Street, CEO, Tembo Capital**

 **INFRAVIA**

 **eden**  
RISK MANAGEMENT

“With corporate challenges only becoming more demanding, we always welcome the assessments of the independently-minded such as Digbee.”

**Gervaise Williams Head of Equities, Premier Miton**

 **Sibanye**  
**Stillwater**

## Product market fit

Digbee's ESG software solution is perfectly positioned to meet the evolving needs of the mining industry, blending the realities of Sequoia Capital's description of "Hard Facts" with a "Future Vision".

"Hard Fact" recognises that the mining industry is undisrupted, impacted by years of disinvestment and struggling to connect with an untrusting financial environment increasingly dominated by a new generation that prioritises responsible investing. Accessing capital, and its cost, is central to the capital intensive industry where 80% of the participants have no revenues - this is therefore a priority focus on our customer base! According to [Deloitte/Tufts survey](#), 80% of Global Investors are now establishing sustainable investment policies, Digbee provides a compelling and novel solution for mining companies to engage with investors, offsetting risk and adding value internally.

"Deep Vision" underscores Digbee Founder's profound insight into the mining industry. The era of critical minerals will necessitate trillions of dollars in institutional investment, but reputational risks and historical investment performance remain significant barriers. The standoff between investor demands for sustainability disclosure and the mining industry's capital requirements must ultimately be resolved. This alignment is crucial for the deployment of capital and the approval of new mining projects essential for meeting future critical mineral demand. The endorsement by industry and specialist investors within the mining industry validates Digbee's solution and sets it up for wide scale use by institutional investors.

80% of Global Investors  
are now establishing  
sustainable investment  
policies

Deloitte/Tufts survey  
April 2024

# The Digbee team

## The Board



### **Jamie Strauss - Founder & CEO**

Jamie has 30 years experience in finance, specialised in the mining sector for last 20 years, highly connected and respected within both mining and related finance industries. Raised over \$1bn for Resource projects globally. Founded, managed and sold a mining finance boutique before serving as a Managing Director at BMO Capital Markets. Non Executive at Altius Minerals and previously at Bacanora Lithium and Gold Standard Ventures. Trustee of Julian Baring scholarship.



### **Alice Gaskell - Director**

Alice is an award-winning investor with 25+ years experience in the investment industry at BlackRock where she managed European Equity portfolios and helped lead Blackrock's Fundamental Active European Equity Team to over \$40bn in assets. Alice left BlackRock in 2018 and has since focused on advising innovative social impact and ESG-oriented businesses in UK Financial Services.



### **James Oldham - Director**

James began his career in finance as an investment director managing discretionary portfolios for private clients, trusts, charities, companies and pension funds. In recent years, he has been acting as protector and professional trustee to UK and overseas based trusts, advising company boards, Non Executive director to UK based companies and as trustee to UK charities and residential property development.

## Advisory panel



**Dr Elaine Dorward King** - Previously: Exec VP Sustainability, Newmont Mining. Non Executive Director: Kenmare Resources, Sibanye Stillwater



**Tom Butler** - Previously: CEO International Council on Metals & Mining (ICMM), Global Head Mining at IFC. Currently Senior Advisor at Boston Consulting Group (BCG)



**Richard Borden** - Previously: General Manager Environment, Rio Tinto Copper & Diamonds. Currently: Independent Consultant

## Management team



### **Sean Patterson - CTO**

Studied Computer Science & Business at University of York. Led development on Xbox.com at Microsoft before setting up a digital product design company.



### **Mary de Grey - Head of Product**

Worked as a technical project manager for the last 15 years, delivered projects for the likes of BBC, Mercedes Benz and Disney.



### **Dr. Natasha Gibson - Head of ESG**

A professional geologist and mining sustainability specialist with over 25 years' experience primarily in sub-Saharan Africa, Australia, and Canada

## Investors



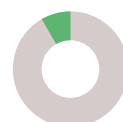
**40%**

**Jamie Strauss** - 40%; Highly respected, well known mining financier with over 30 years in The City of London with groups such as Societe Generale, BMO and his own firm Strauss Partners.



**14%**

**Atria** - 14%; Experienced mining executives, Adonis and Phoevos Pouroulis. Associated companies are Tharisa Mining, Rainbow Rare Earths and Chariot Oil & Gas.



**7%**

**Dundee Corporation** - 7%; Active investor focused on mining with over 30 years experience, led by the highly respected Jonathan Goodman.

## Financial highlights

### Digbee's actuals

	Year to March 2022 Actual	Year to March 2023 Actual	Year to March 2024 Actual
Turnover (\$US '000)	220	333	390
Cost of sales (\$US '000)	(116)	(110)	(107)
Gross profit (\$US '000)	104	223	283

### Digbee's forecast

(Assumes US\$3m raise in July 2024)

	Year to March 2025	Year to March 2026	Year to March 2027	Year to March 2028	Year to March 2029
ESG - Revenue (\$US '000)	1,394	3,396	8,060	13,538	18,900
Cost of sales (\$US '000) <small>Restated to include sales costs</small>	(500)	(1,233)	(3,178)	(5,166)	(6,900)
Gross profit (\$US '000)	894	2,163	4,885	8,372	12,000
Group - overhead/expenses (\$US '000)	(2,366)	(3,193)	(3,498)	(3,716)	(3,800)
Group - EBITDA (\$US '000)	(1,472)	(1,031)	1,387	4,655	8,100
Cash balance (\$US '000)	1,384	469	1,790	6,207	13,600

## Sales

Annual Recurring Revenues increased to \$390k to March 2024 and are forecast to rise to U\$1.3m in the current year. The annual contract value is modelled and achieving U\$21,000. Our customer mix is increasingly moving towards more advanced development and producing stage mining companies that are either preparing to negotiate complex capital structures and/or requiring qualification of sustainability to investors and other stakeholders. This is expected to result in higher contract values over the next 12 months. Current trading is strong with sales for the first two months of the year exceeding 40% of the sales for year to March 2024.

## Gross margin

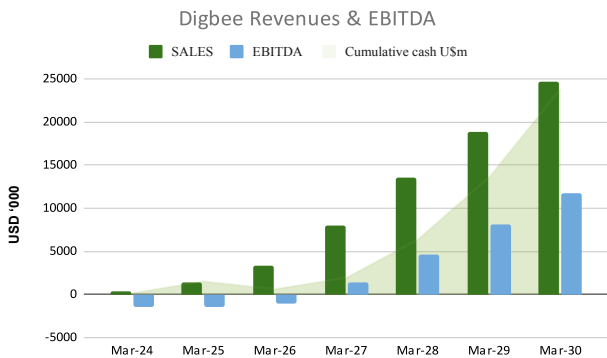
Monthly positive cash flow is forecast to occur towards the end of fiscal year 2026 (March). A limited amount of discounting has been applied in the last 12 months to support existing customers in the current weak economic climate.

## Overheads

Digbee manages and owns its own software development. As such it employs/contracts a team of 6 persons, amounting to 36% of overheads. An additional two developers/AI consultants will be hired to advance the AI strategy. Digbee's cost structure is forecasted to take a step change upwards to deliver the growth strategy but is then expected to level off, significantly benefiting net margin as sales accelerate. Our founder-led sales initiative that successfully launched the ESG product, is increasingly supplemented by a demand generation marketing strategy. Our total marketing spend is expected to increase 36% to \$310k for year to March 2025.

## EBITDA

Digbee is forecast to move to monthly positive cash flow in the early months of calendar 2026. Supported by an almost entirely annual recurring revenue stream, positive cash flow is expected to strongly build on the back of these compounding revenues.



## Highlights panel

- Sales in first 2 months of 2024/5 has exceeded 40% of the entire previous year
- Annual Recurring Revenue driven by annual independent sustainability assessment license
- We expect approx 90% retention of customers
- Sales growth forecast 2024-2029 from \$390k to \$18.9m
- Insignificant debt held on balance sheet

# Growth / exit strategy

The opportunity lies in capitalising on a unique convergence within the mining industry, where strong growth and access to substantial new capital to enable the transition to a sustainable economy intersect with a deeply untrusted industry. This situation creates a critical need for demonstrating responsibility, to meet the demands of investors and society.

## Our strategy to fulfil this vision is fourfold:

- 1. Organically grow Digbee Assurance within the global mining industry.** Digbee's established ESG Assurance solution is widely recognised within the industry as the leading sector-specific solution. With nearly 30 customers, ranging from explorers through to multi-asset producing mining companies and having completed 59 ESG assessments, Digbee is well positioned to leverage its success to date. The initial founder-led sales function is now supported by a limited team of salespersons and benefiting from a lead generation program focused on specific target areas of the mining industry. The company is increasingly experiencing increased referral activity from institutional investor collaboration (such as Infravia, Blackrock, Orion and Eden), industry relationships (such as BHP Xplor) and existing customers.
- 2. Expand collaboration between the finance sector and the mining industry.** The mining sector relies heavily on capital markets for development funding and facilitating secondary trading. Capital providers are increasingly demanding sustainability disclosure to enhance due diligence, assess risk, and differentiate companies through valuation. Collaboration with the financial sector has significantly benefited Digbee's growth and credibility. Digbee is leveraging its connection with the finance and insurance sectors to create a symbiotic relationship that mitigates investment risk and boosts the adoption of Digbee's solutions by mining companies.
- 3. Deliver an AI strategy to enable scalability and enhance gross margin.** The completion of 59 assessments has provided the company with significant knowledge and data. Digbee will be rolling out a series of enhancements that are designed to improve the customer journey, further extend automation, enhance gross margin, increase the competition moat, and accelerate sales growth.
  - Customer journey will be enhanced through an already trialled automated pre-population capability that is partially assisted by AI. This will remove customer friction and reduce the sales duration.
  - Enhanced assessment process through greater use of an already established ESG expert network and develop an AI assisted assessment capability.
- 4. Upsell to financial institutions.** Sustainability is becoming a significant differentiating factor, increasingly influencing valuation, cost of capital, and other decision-making points. Digbee's first-mover advantage and leadership, combined with its financial and industry partners, will enable the company to leverage its data to deliver an unmatched value-added service proposition to multi-customer segments.

Over the last twelve months Digbee has been regularly contacted by Growth Investors, both in the UK, US and Europe. Typically focused on growing businesses that register more than \$1m Annual Recurring Revenue. With this parameter expected to be achieved within the next year, Digbee remains in contact with these groups as a source of partnership and future investment if required.

Digbee's intention is to create a liquidity event within 5 years. ESG is increasingly moving towards sector specific data. The era of critical minerals will shine a spotlight on the industry along with the independent verification of published sustainability data. Digbee anticipates Rating Agencies, along with other data providers such as Bloomberg, encouraged by increased regulation, will acquire sector specific data. Mining Consulting groups and software acquisition groups such as Cority, that acquired Greenstone in 2023, are additional considerations. ESG M&A has been very active in the last twelve months with Locologo acquiring Qintelligence, AMCS acquiring Figbytes and EcoOnline acquiring Ecometrica as examples.

## Highlights panel

- Raising a total U\$3m to achieve cash flow positive.
- FSE Group (South West Fund) expected to invest up to U\$1.5m.
- Founder investing U\$200k.
- Multiple strategic investors engaged to complete financing.
- Pre-approved for EIS eligible persons in UK.

## The offer

Digbee is raising a total of **U\$3m** on a valuation of U\$7.5m, based on expected annual recurring sales to end March 2025 of U\$1.4m (\$390k), a multiple of 5.3 times

Another valuation model used by venture capitalists for SaaS/DaaS companies is the discount NPV model. Using a 35% discount rate and 21x terminal multiple on forecasts through to March 2030, results in an NPV today of U\$32m.

The founder and CEO, Jamie Strauss is investing a further U\$200k of his own funds, in addition to investments of almost U\$500,000 from mining specialist institutions and influential investors in this funding round (all on the same terms).

As part of this round of finance, **Digbee is offering Spark investors U\$400,000 of equity at a price of £240.57/share** (equivalent to ~U\$306.77/share and a ~U\$7.65m pre-money valuation). This would represent 3.7% of the post-money ordinary share capital. The balance of this round of finance is expected to be taken up with other new and existing shareholders.

The FSE Group, working in partnership with British Business Bank, has confirmed Digbee is eligible for investment and is to undergo its 3 month due diligence process. The company is confident of a positive investment decision for matched funding by the end of September 2024.

For eligible investors in the UK, this offer has been pre-approved for EIS.

Digbee last raised capital (~U\$1m), including new investors, in the summer of 2023 at a pre-money valuation of U\$12.5m.

Based on the growth projections to 2027 and current market data for high growth SaaS companies, a 10-30x revenue could be expected that would result in a U\$80 - U\$240m valuation.

# Investment rationale

**Global megatrends** are aligning for the mining industry, ushering in a generational transformation. The era of critical minerals demands that buyers of metals, their customers, and financial organisations demonstrate responsibility to mitigate reputational risk, facilitate access to capital, and enhance both operational and portfolio performance.

**Perfectly positioned** to capitalise on this shift. With its first-mover advantage and leadership in sustainability assurance, alongside strong financial and industry partnerships, Digbee is driving sales growth of its core product. This positioning will allow the company to leverage its data, delivering an unparalleled value-added service proposition to multiple customer segments.

**Scalable Business Model:** Digbee's management anticipates that the current growth of recurring revenues will continue to accelerate, driven by improving financial conditions in the mining sector and the increasing demand from investors to integrate sustainability into their due diligence processes. Digbee currently serves only 35 of the 4,500 companies in its addressable market, highlighting significant growth potential. Further investment in Digbee's technology, including the incorporation of AI to assist in various functions and broader utilisation of the established expert network, will enhance process automation and drive future growth.

**Strong Leadership with Extensive Sector Experience:** Jamie Strauss, with over 30 years in the mining financing industry, is recognised as an industry leader and is respected and well-connected in both the finance and mining sectors. He is supported by a highly regarded Sustainability Advisory Panel and a separate but proactive Board of Directors. The company's development team, led by Sean Patterson, is both highly experienced and creative, driving innovation and excellence.

## Highlights panel

- Sales in the first 2 months of the year exceeded 40% of the previous year total.
- Highly credible, industry-recognised management team with expertise in mining, financial, and technology sectors.
- Enormous market opportunity to capitalise on a critical industry that remains largely undisrupted and is entering a transformational era of critical mineral demand.
- Established market position with accelerating sales growth, fuelled by increasing investor demands for independent, sector-specific, and forward-looking sustainability metrics.
- De-risked business model: recurring revenue from annual licenses providing mining companies with the credibility to demonstrate responsibility to investors and other stakeholders. 59 assessments completed, 100% customer satisfaction.

# SWOT analysis

## Strengths

- Multiple macro megatrends
  - Established business with a strong track record
  - Recurring revenue stream
  - Highly regarded management team
  - Tier 1 Financial and industry endorsement
- 

## Threats

- The sector remains financially challenged impacting growth
- Sustainability measurement becomes non relevant
- Revitalised sector likely to attract competition

## Weaknesses

- Founder remains a dominant driver of success
  - Reliance on a single consulting group
- 

## Opportunities

- Further endorsement by Tier 1 mining companies
- Regulatory environment encouraging assurance and sector-specific data
- Leverage data to create value-add propositions to multi-customer segments
- Low competition to establish leadership
- M&A to enhance strategy and combine data sets to create value-added solutions for multi-customer segments

# Conclusion

The era of critical minerals has dawned, marking the most significant transformation in the mining industry in decades. Sustainability and data will shape the future of this vital sector as it strives to meet the demands of the energy transition and distinguish itself from its traditional approaches to securing capital from institutional investors.

The intersection of global megatrends in critical minerals and sustainability is driving the growth of Digbee's established ESG Assurance product. This momentum, bolstered by collaboration with finance and industry partners and a recurring revenue business model, is creating a robust, cash-generating enterprise. It is also fostering the development of additional value-added data solutions for diverse customer segments. Digbee anticipates reaching approximately 140 customers by the end of calendar 2025, exceeding \$3m in sales and achieving positive monthly cash flow from its core operations.

Current market data suggests high growth SaaS based companies with sales between \$5m-\$10m will command an ARR multiple of 10-30x. With Digbee forecasting sales >\$8m in year to March 2027, this would give a valuation of \$80m-\$240m.

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