



**Are you ready for the next
industrial revolution?**

**Second Quarter of fiscal 2020 ended
March 31, 2020**

MEMEX
Measuring Manufacturing Excellence™

Forward Looking Statement

Certain statements in this disclosure may constitute “forward-looking” statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

When used in this disclosure, such statements use such words as “may”, “would”, “could”, “will”, “intend”, “expect”, “believe”, “plan”, “anticipate”, “estimate”, and other similar terminology. These statements reflect the Corporation’s current expectations regarding future events and operating performance and speak only as of the date of this disclosure. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed below.

For example, disclosures may contain forward-looking statements pertaining to the following subject matter: capital expenditure programs; supply and demand for the Corporation’s products and services and industry activity levels; commodity prices; income tax considerations; and, treatments under governmental regulatory regimes.

No securities commission or other similar regulatory authority has passed on the merits of the securities described herein. Nor has any securities commission or similar regulatory authority reviewed this presentation and any representation to the contrary is an offense.

All dollar figures are in Canadian currency unless otherwise stated.

Reasons to own MEMEX (OEE-TSXV)



Market Capitalization

All amounts C\$ (May 26, 2020, unless otherwise indicated)
 FYE September 30

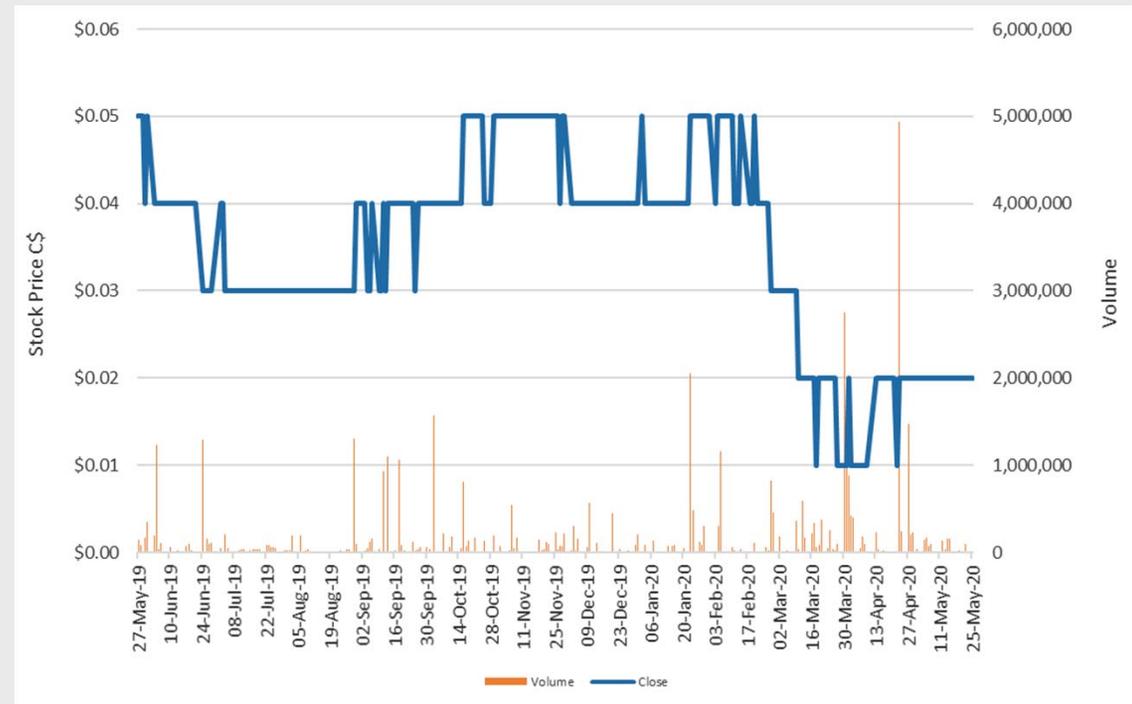
Trading Symbol **OEE – TSXV**
 Price **\$0.02**
 52 Week High / Low **\$0.06/ \$0.01**
 Shares Issued & Outstanding **134.2 M**
 Options and Warrants ^{1,2} **9.8 M**
 Fully Diluted Shares Outstanding **144.0 M**

Market Capitalization **\$2.7 M**
 Cash (March 31, 2020) **\$0.6 M**
 Debt (March 31, 2020) **\$2.0 M**
 Enterprise Value **\$4.1 M**

Last Capital Raise **\$0.8 M (debt - March 2019)**
 Insider Ownership **14.4%**

¹ 3.8 M @ \$0.05 warrants expire March 28, 2022

² 6.1 M @ avg \$0.11 options



A Trillion-dollar Mega-TREND

**\$6 - 19
Trillion**

According to **accenture** & **CISCO**

"The industrial Internet of Things (IIoT) will bring new economic growth, reinventing sectors that account for almost two-thirds of world output.

"IIoT could contribute as much as USD\$14.2 trillion to the global economy by 2030"

MEMEX Brings Industry 4.0 Analytics to the Shop Floor

Current Scenario



With MEMEX



Data Availability

Not real-time

Real-time

Data Accuracy

Inaccurate – prone to manual errors

Accurate

Data Collection

Not automated

Automated – directly collected from shop floor

Data Accessibility

Data is not aggregated in one spot

Aggregated & accessible from laptop, tablet, Smartphone

Data Storage

“Data” easily lost

Saved and available for historical analysis

The MERLIN Value Proposition

MERLIN is an IIoT shop-floor-to-top-floor-communications platform that provides manufacturing analytics in real-time



What drives desire for OEE



Replace manual, subjective data collection with automatic, objective data collection

True visibility means shining a light on dark production assets

The opportunity to take lean manufacturing to the next level

Reveal your hidden factory

Data-Driven Manufacturing: 5-steps to Success

01 CONNECT



Ensure mission-critical machines (old and new) are on the corporate network

03 ANALYZE



Evaluate metrics and determine pain points that require optimization

02 VISUALIZE



Receive real-time data on all levels and enable sharing of insights

04 OPTIMIZE



Make business decisions based on data analytics to enhance productivity, profitability, and efficiency

05 PROFIT



Based on 10% OEE increase, achieve 20%+ profit improvement

\$100+ billion Addressable Market

65 Million machines worldwide

90%
Unconnected

Age of 70% machines

15
years

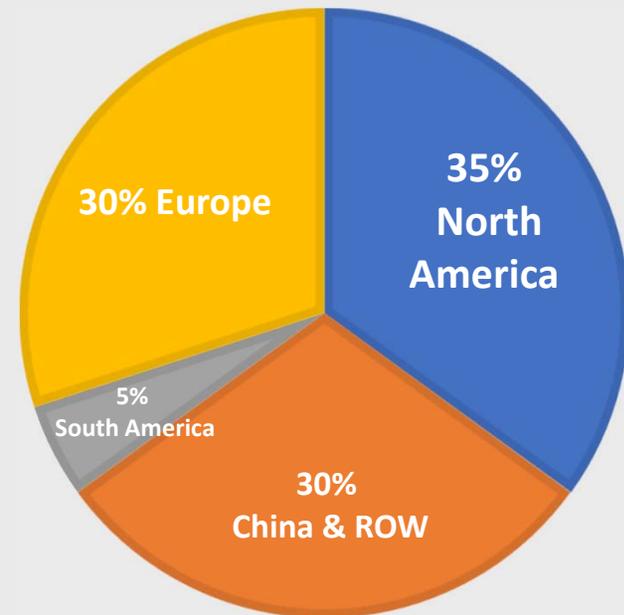
Data trapped in machine & unused

99%

Main verticals are aerospace and automotive

Other verticals include packaging, food & beverage, and product assembly

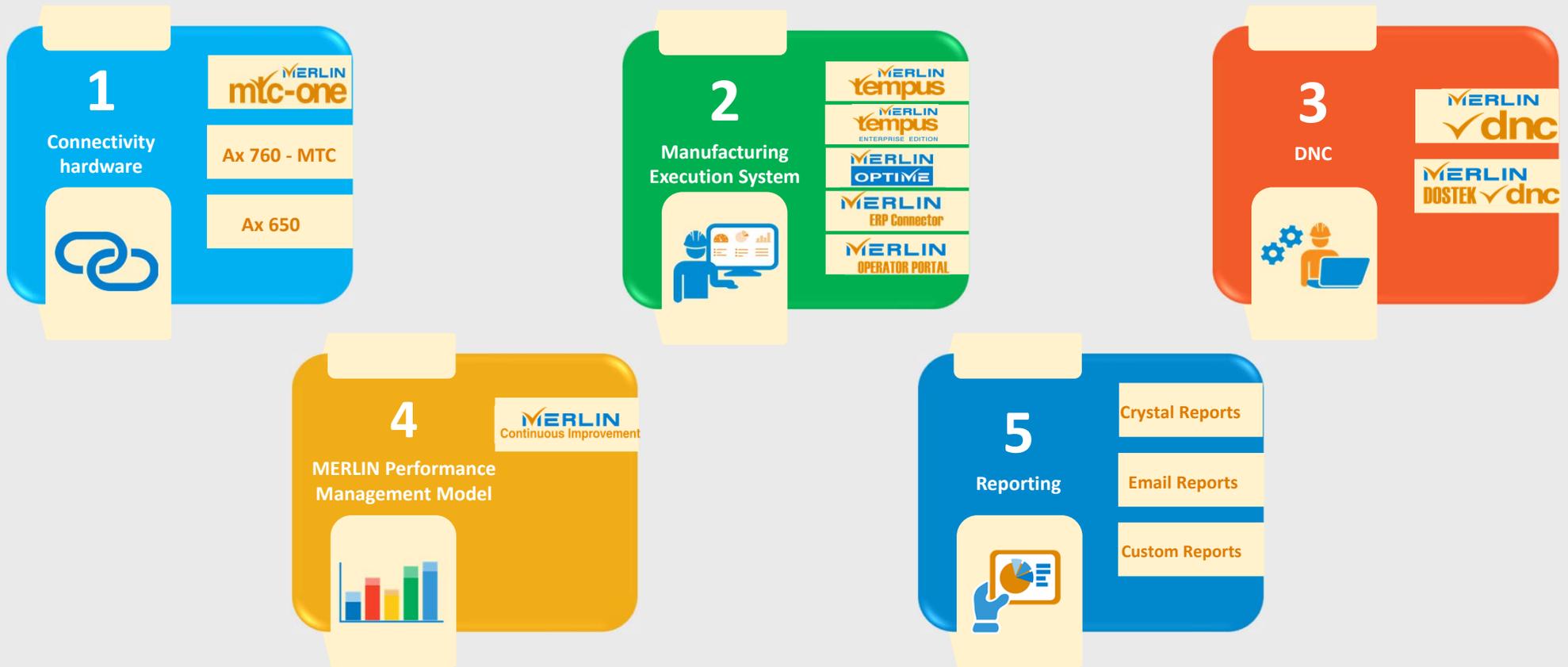
INSTALLATION LOCATION



MERLIN: A Proven Solution



The Solution Stack



Solution Stack: Connectivity Hardware



MERLIN MTC-One

Take control of your shop floor, equip your machine tools, and assembly, production or processing line with the true power of edge computing, and optimize efficiency



Ax 650

The Ax650 monitors and controller's I/O. It supports up to eight signals in addition to power.



Ax 760 - MTC

With Ax760-MTC enable older machines on your shop floor to output available machine state, alarm states, controller modes, and much more in Real-Time.

Solution Stack: Manufacturing Execution System



MERLIN
tempus

Driving efficiencies
and productivity
from the shop-floor-
to-the-top-floor



MERLIN
tempus
ENTERPRISE EDITION

Realizing the
complete power
of OEE



MERLIN
OPTIME

Free ramp-up to
Data-Driven
Manufacturing



MERLIN
ERP Connector

A bi-synchronous
interface to
MERLIN



MERLIN
OPERATOR PORTAL

Real-Time
Manufacturing
Human Machine
Interface

The MERLIN Impact: Magellan Aerospace

The Problem

To rectify a situation where stand-alone machines were not reaching production targets and frequent downtime events were occurring on the shop floor.



The Solution



The MERLIN Impact

OEE boost from 37% to a sustained **85%**

Real saving of **\$30,000** /month against an initial price of \$20,000 for MERLIN on just 3 machines

Comprehensive information that enabled Magellan team to focus on 20% issues that resulted in **80%** problems

The MERLIN Impact: Mazak

The Problem

A software package that could produce meaningful reports for both the production and the management team to act upon, utilizing the MTConnect® standard.



The Solution



The MERLIN Impact

42% improvement in utilization

400 hours/month of outsourced work returned in-house

Reduced operator overtime by **100** hours/month

Cisco/MEMEX Use Case: Mazak



Mazak

Mazak is the world's largest machine tool OEM

SmartBox billed as an industry-first platform for easy and highly secure IIoT

CISCO

Running today in Mazak's factory, SmartBox is a MEMEX/Cisco cyber-security offering

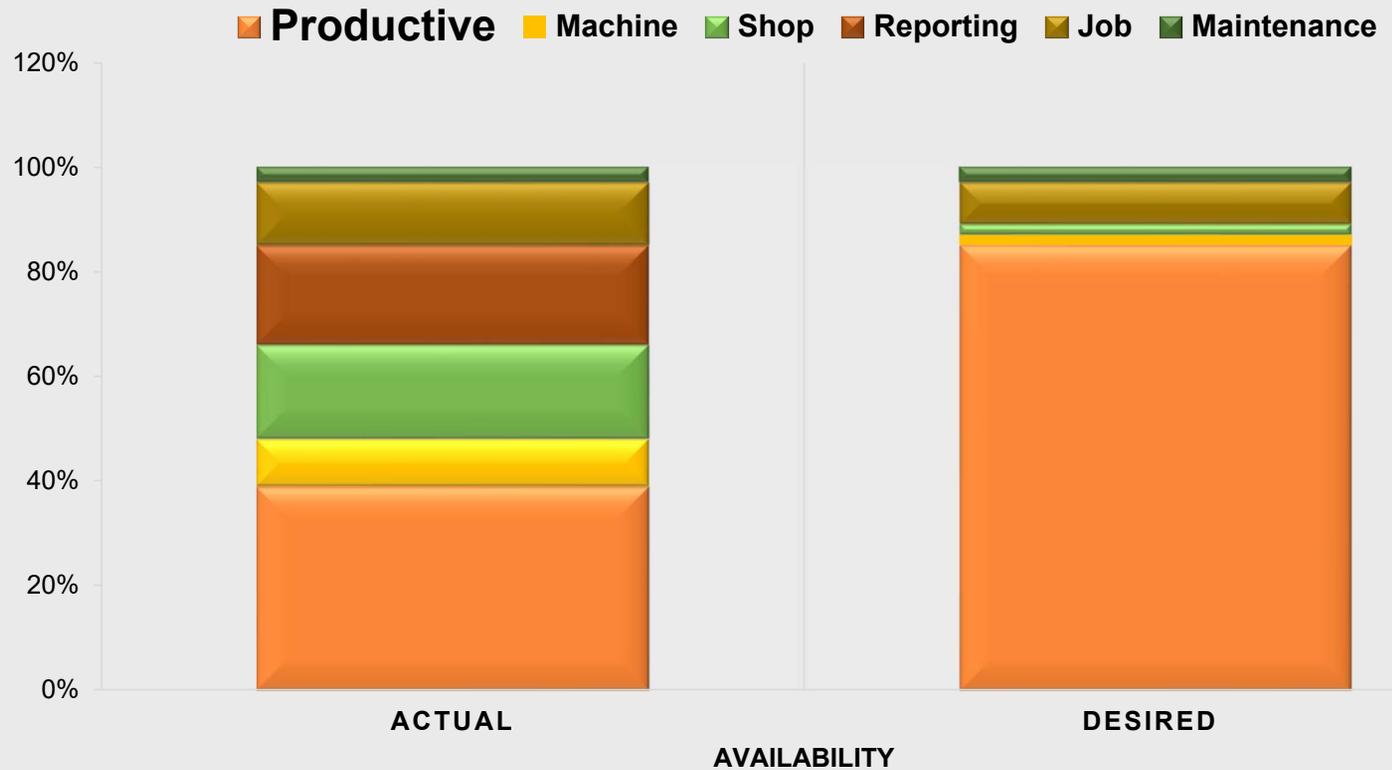
SmartBox satisfies the highly critical security concerns of IT departments when connecting equipment to a plant's main network

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Measuring Manufacturing Excellence

Hidden Capacity: Eliminating The 5 Big Losses

The improvement opportunities are always in one of the following "buckets"

- Machine
- Shop
- Reporting
- Job
- Maintenance



Value Proposition

Real-time machine visibility + OEE numbers including alerts	2 - 5%
Operator Productivity Increase	1 - 10%
Reduce Downtime	3 - 8%
Minimize Rejects	2 - 4%
Root Cause analysis	2 - 4%
Value Stream data collection & analysis	2 - 4%
Labor productivity tracking	3 - 6%
Usage-based Preventive Maintenance	1 - 2%
Benchmark scheduling & value streaming	2 - 6%



**10% - 50%
Productivity
increase**

Customer Success with IIoT/DDM



Precision machining company realized a **25% savings** on whole plant



Aerospace company realized **11% efficiency improvements** in 3 months



Large equipment manufacturer achieved **24% to 62% OEE improvement** on machines



Specialty Machining group saw **25% to 60% OEE improvement**



Fine tuning setup process went from 410 parts/week to 690, a **68% gain**



Enterprise aerospace company saw a **25% overall improvement**

Benefits of Data-Driven Manufacturing

Production increase in 4 months from 52% of the time to **63%**

OEE across 30 machines went from **40% to 82%**

Palletech system has seen **140% gain in efficiency**

Legacy Mazak lasers: **40% gain**

20% increase in efficiency just by having everyone aware of what is happening

42% boost in machine utilization in the first six months

100 hours of reduced operator overtime per month

11% increase in capacity utilization in the first 3 months

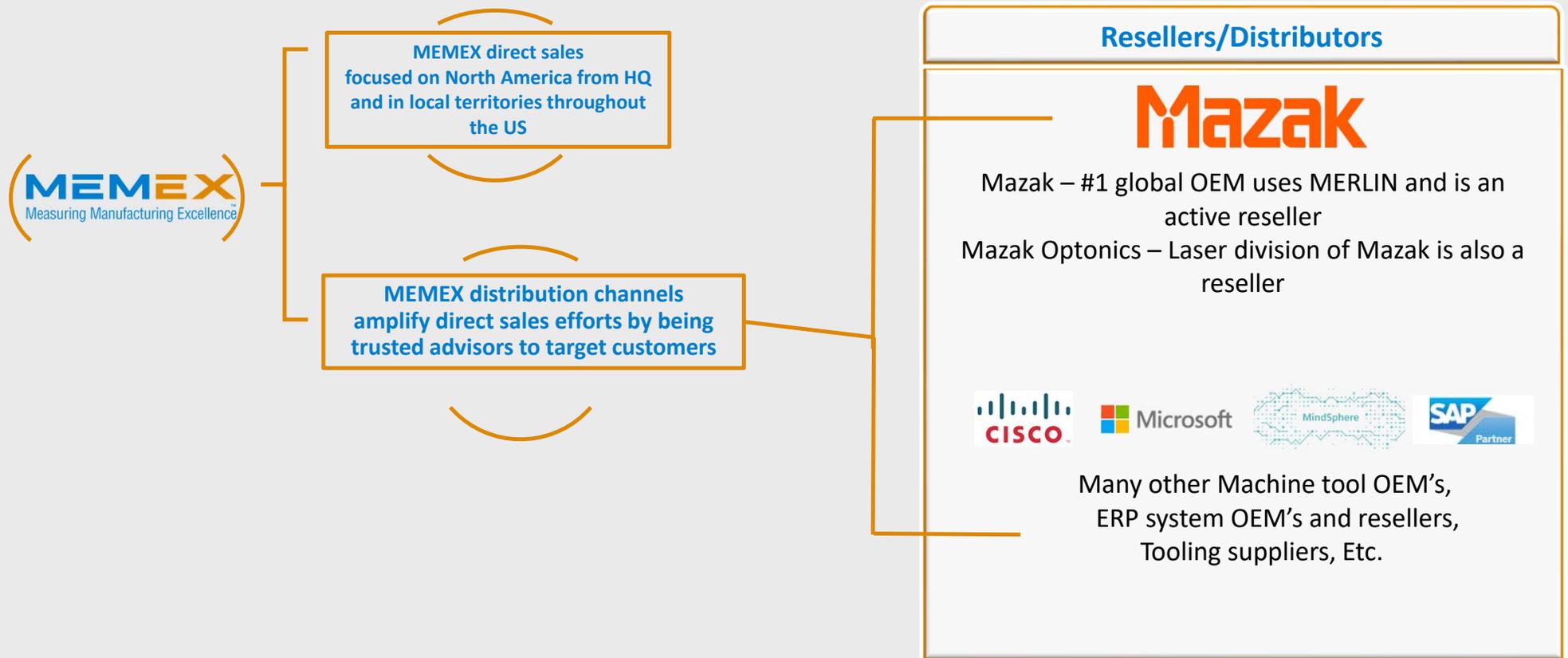
12.5% improvement in capacity utilization from a \$1B agricultural manufacturer

Cost savings associated with employing a data collection person

Improved OEE **100%** on one bottleneck machine in one week given the data

Eliminate machine downtime caused by Shift changes happening early

Go-To Markey Strategy



OEE: TSX-V

All figures in CAN\$ (FYE September 30)	6 months		F2019	F2018	F2017	F2016	F2015	F2014
	F2020	F2019						
Revenue	\$1.20 M	\$1.40 M	\$3.25 M	\$2.85 M	\$2.01 M	\$2.91 M	\$1.93 M	\$940 K
Gross Margin	66.5%	69.7%	70.9%	69.9%	55.4%	66.2%	58.9%	42.7%
EBITDA	(\$580 K)	(\$620 K)	(\$0.89 M)	(\$2.12 M)	(\$3.87M)	(\$2.84 M)	(\$2.32 M)	(\$1.74 M)
Cash loss from ops ¹	\$552 K	\$568 K	\$0.77 M	\$1.97 M	\$3.72 M	\$2.76 M	\$2.13 M	\$1.45 M
Backlog	\$1.22 M	\$1.28 M	\$1.19 M	\$1.10 M	\$1.31 M	\$848 K	\$409 K	-

¹ Excludes interest, depreciation, stock-based compensation, asset impairment; before changes in non-cash working capital balances

Leadership Team

MANAGEMENT

David McPhail	President & CEO
Ed Crymble	CFO
Rick Mosca	EVP-Partner Channel Dev

BOARD OF DIRECTORS

Michael Christiansen (Audit Chair)	Managing Director and Chief Financial Officer of Weild & Co.
Joe Brennan (Governance Chair)	Partner, Shea Nerland Calnan LLP.
Scott Kaplanis	Partner & Portfolio Manager, Epic Capital Management Inc.
David McPhail (Board Chair)	Founder, President & CEO, MEMEX Inc.
Ed Crymble (Board Secretary)	CFO, MEMEX Inc.

Investor Contact



Memex Inc.

www.MemexOEE.com

David McPhail

President & CEO

investor.relations@MemexOEE.com

905-635-1536



Investor Relations
Sophic Capital

Sean Peasgood

President @ CEO

sean@SophicCapital.com

647-977-9264



Thank You !

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