



ASX ANNOUNCEMENT

19 May 2016

Successful completion of Clever Buoy trial

- **Shark Mitigation Systems Ltd confirms Clever Buoy commercially viable after successful extended trial at Bondi Beach**
- **Endorsement by Australian Professional Ocean Lifeguard Association (APOLA)**
- **Growing Australian and global interest in Clever Buoy**

Shark Mitigation Systems (ASX: SM8) today confirmed its Clever Buoy shark detection and response technology is commercially viable after the successful completion of an extended trial off Sydney's iconic Bondi Beach. The trial was conducted with the support of the New South Wales Government and the Waverley City Council.

The pre-commercialisation trial took place between the 15 February 2016 to 10th April 2016, with a full report subsequently submitted to NSW Department of Primary Industries.

Since the trial was completed, SM8 has been invited by a number of local councils and municipalities to submit proposals for deployment of Clever Buoy systems in various jurisdictions both in Australia and overseas.

On 17 May 2016, the Australian Professional Ocean Lifeguard Association (APOLA) advised SM8 that APOLA had formally endorsed the Clever Buoy system as a viable shark detection and alert solution for Australian beaches at its recent annual professional lifeguard forum. APOLA professional lifeguards at Bondi were directly involved in the trial and the application of the information from the Clever Buoy system.

In its Letter of Endorsement APOLA stated that, in the Association's view, the Clever Buoy shark detection system is currently the only commercially available detection system capable of deployment in high surf zones to provide real time information for lifeguards that will be of direct benefit to beach users.

The Clever Buoy system uses a non-invasive technology solution to create a virtual shark net to detect sharks and alert the appropriate authorities and/or beach users.

The technology is designed to detect sharks using state of the art sonar and identification systems which relay critical information to authorities responsible for beach safety. The detection system is designed to be deployed beyond the surf zone and utilizes multi beam sonar transducers that are mounted on the ocean floor coupled with newly developed detection software to scan for marine life.

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Once detected, the software interrogates the object's swimming pattern to determine the probability of a shark occurrence. Once the target is determined to be a shark, information is transmitted to lifeguards notifying them of the target and the location.

SM8 provided NSW Department of Primary Industries transparent access to the trial process and provided updates throughout the trial.

Key objectives for the pre-commercialisation trial were:

- Construction and testing of a commercial-ready system;
- Extended trial demonstration and integration with lifeguard activities;
- Development of the enhanced software towards refinement of systems learning and recognition of shark signatures at extended range. This provides the system's capacity to autonomously distinguish, within a commercial level of accuracy, a shark sonar signature and swimming pattern.
- Development of sonar hardware to extend effectiveness and range.

The approach taken to assessment of the trial was to set objective performance criteria in the form of minimum acceptance levels and targets derived from NSW Department of Primary Industries' Cardno Report findings and recommendations for NSW Shark Management Strategy Input, as well as recommendations from NSW Department of Primary Industries executives and staff.

SM8 Co-founder Craig Anderson said: "The trial at Bondi Beach was successful across all measures. The trial has validated the stability and robustness of our current Clever Buoy platform to sustainably operate in real-world Australian beach conditions 24 hours a day, 365 days a year, autonomously detecting and alerting the presence of large sharks that could be a threat to beach users.

"SM8 considers the Clever Buoy system to be commercially available. It has a cost structure that is competitive with alternative options on the market, and has received global expressions of interest for deployment.

"Following this successful trial, beachgoers in many parts of Australia and indeed in other countries can now look forward to safer beaches as we move to deploy this technology in response to the growing demand."

About Shark Mitigation Systems

Shark Mitigation Systems is an Australian marine technology company using leading scientific research to protect the many millions of people who visit the beach every year. SMS has developed a visual deterrent technology as well as a shark detection device, both of which are non-invasive and cause no harm to sharks. The company intends to develop and commercialise these technologies, as well as establish a pipeline of further innovative marine technology. SMS was incorporated in 2012 and since its establishment has partnerships with a number of leading organisations such as Optus, Google, Arena and the University of Western Australia. The Company listed on the ASX in May 2016.

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