



SOR Launches Artificial Intelligence and Robotics Company

ASX listed Strategic Elements Ltd (ASX: SOR) is pleased to announce the launch of artificial intelligence and robotics Company, Stealth Technologies Pty Ltd. The Stealth group is a multi-disciplinary team with the capability to custom build systems for (a) its own proprietary technologies and (b) collaboration with commercial/government partners for their own specific business cases.

Most artificial intelligence companies only focus on software development. Stealth Technologies point of difference is the multi disciplinary capability to:

1. Physically custom build automated robotic machines
2. Integrate computer vision capabilities enabling a computer to see (through cameras and sensors)
3. Create artificial intelligence through machine learning and software development

Over the past six months Stealth has built an experienced in-house team of international award winning PhD and Masters qualified research engineers with deep capabilities in AI, machine learning, automation, computer vision and robotics (hardware and software). The team is augmented by members of Strategic Elements Ltd and key advisors who have strong commercial expertise in complex data analytics and software development with large multi-national corporates.

The in-house Stealth team has commenced working with leading research institutes and experts across Artificial Intelligence technologies including Machine Learning, Computer Vision and Deep Learning to **develop proprietary technologies and deliver innovative solutions** based on Artificial Intelligence.

Stealth Technologies business model also includes **developing solutions in collaboration with commercial and/or government partners** for their own specific business cases.

Stealth developed its solutions capabilities over the first half of the year and has recently commenced commercial discussions. Further information on partnerships and commercial engagements are expected to be released within this current third quarter of 2019.

Managing Director Mr Charles Murphy said "Stealth technologies has been positioned higher up the valuation ladder than other companies in this sector due to its dual capabilities in both hardware and software development. In anticipation of near term events, we have expanded the engineering, operations and business development team within the Company. The team has been working extremely hard to finalise some existing opportunities and we look forward to unveiling the innovative technology that the Stealth team has been working on".

Stealth Technologies is 100% venture backed by ASX listed Strategic Elements Ltd. The Australian Federal Government has registered Strategic Elements as a Pooled Development Fund with a mandate to back Australian innovation. Strategic Elements operates as a 'venture builder' where it generates ventures and projects from combining teams of leading scientists or innovators in the technology or resources sectors. Due to the Pooled Development Fund program that Strategic Elements operates under most shareholders pay no tax on capital gains or dividends. The Company is listed on the ASX under the code "SOR".

A high level overview of Stealth Technologies is attached in presentation format to this release in the following pages.

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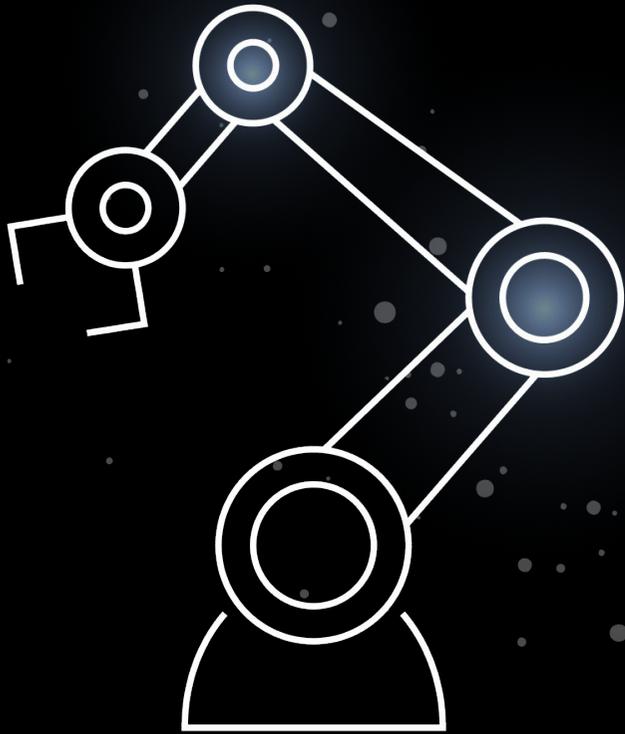
STEALTH
TECHNOLOGIES

STEALTH TECHNOLOGIES

INNOVATIVE SOLUTIONS FOR
ARTIFICIAL INTELLIGENCE

TWO KEY AREAS OF FOCUS

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1. INNOVATION

Stealth is focused on applying artificial intelligence and machine learning to platforms, systems and processes to unlock new value, enabling industries to re-imagine what is possible.

We develop our own technologies and also work in partnership with industry-leading Australian organisations and talent to invent and commercialise intellectual property with high-value potential.

Stealth is developing **proprietary Computer Vision technologies**, a branch of artificial intelligence that uses machine learning to quickly process and analyse visual data from photos or video.

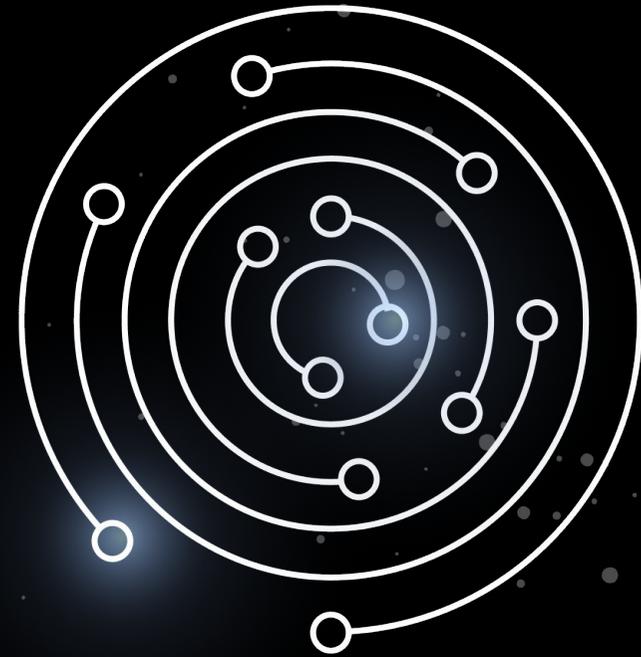
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2. SERVICES

Stealth Technologies offers tailor-made solutions to industry on solving specific problems where automation and artificial intelligence can be employed. In particular, Stealth works in partnership to create proof of concepts to demonstrate the technology capability, and de-risk the decision for a company to heavily invest in the new solution.

Using a multi-disciplinary approach we are able to construct purpose built solutions in artificial intelligence, machine learning, big data, automation, and robotics to government and businesses.



OUR POINT OF DIFFERENCE

HARDWARE + SOFTWARE

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Stealth Technologies is an artificial intelligence company with the unique capability to combine hardware and software engineering

Many new AI firms are being established with a software only mindset. Stealth Technologies is pioneering a comprehensive approach by **bringing together hardware and software engineering.**

OUR TEAM

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The Stealth group is a multi-disciplinary team of PhD and Masters engineers with deep capabilities in AI, machine learning, big data, automation, computer vision and robotics for both hardware and software.

Members of the team have won multiple awards at national and international levels. Previous engagements have covered mining, commercial, government, defence and research industries.

The team is assisted by members of Strategic Elements Ltd who have strong commercial expertise in data, analytics and software developed with large multi-national corporates.



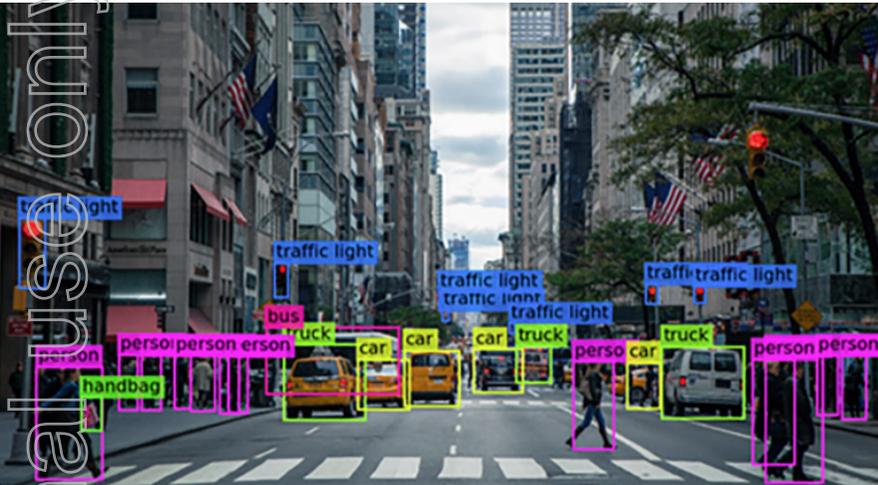
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DEEP LEARNING WITH COMPUTER VISION



WHAT IS DRIVING GROWTH IN COMPUTER VISION?

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Growth in visual data is expected to explode. It is forecast that 44,354,881,622 cameras will exist in the world by 2022. In most scenarios, 99% of the visual data captured will not be valuable but 1% of the visual data at any given time can be extremely valuable. Over the next five years there will be a proliferation of cameras integrated into products across industries and markets. Nearly all inanimate objects will begin to see, creating vast amounts of visual data across the visual technology ecosystem.

The engineering team at Stealth Technologies have deep capabilities in computer vision.

Computer vision is not one technology, but several that are combined to create intelligence. In the end, computer vision is a method for acquiring, processing and analyzing images, and can automate, through machine learning techniques, what human visual analysis can perform.

One way to imagine computer vision technology, industry analysts say, is as a stool with three legs:

1. sensing hardware;
2. software (algorithms, specifically); and
3. the data sets they produce when combined.

STEALTH TECHNOLOGIES USES COMPUTER VISION FOR AUTONOMOUS AUTOMATION

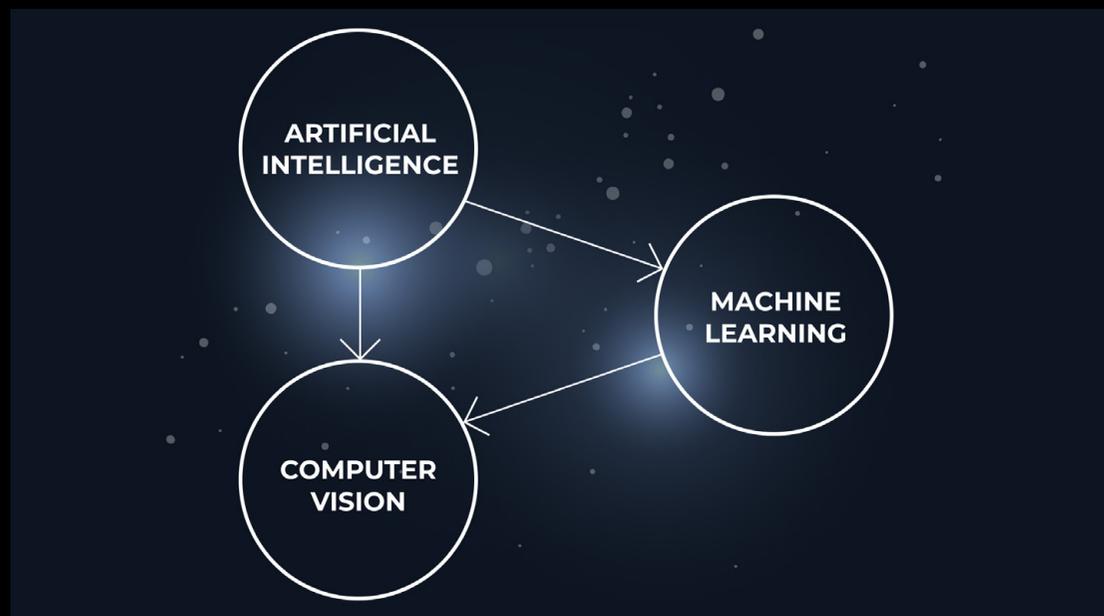
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CAPTURE THE IMAGE

Visual technologies are any technologies that capture, analyse, filter, display or distribute visual data for businesses or consumers. They typically leverage computer vision, machine learning and artificial intelligence. The majority of the data brains analyse is visual, and therefore the majority of the data needed for artificial intelligence to have human (or better than human) skills, will rely on the ability for computers to translate high quality visual data.

STEALTH TECHNOLOGIES USES COMPUTER VISION FOR AUTONOMOUS AUTOMATION



UNDERSTAND WITH AI AND ML

Computer Vision is a multidisciplinary field that could broadly be called a subfield of artificial intelligence and machine learning, which may involve the use of specialised methods and make use of general learning algorithms to understand images and video.

STEALTH TECHNOLOGIES USES COMPUTER VISION FOR AUTONOMOUS AUTOMATION



APPLYING INTELLIGENCE

The Stealth Team are engineering specialists who have specialities in robotics, vision and automation, including the robotic control of vehicles. The team have worked within research and development projects which have successfully implemented a vision-based driver assistance system for lane keeping and collision avoidance within a BMW X5.

RAPID ADOPTION OF COMPUTER VISION

Mining

Around the world, computer vision has become critical to mining, assisting in automating manual processes. Examples are using the processes of computer vision and deep machine learning. On-board cameras are placed on loaders to track variables such as loading time, hauling time, dumping time and travelling empty time.

Manufacturing

In manufacturing, businesses use computer vision to identify product defects in real time. As the products are coming off the production line, a computer processes images or videos, and flags dozens of different types of defects — even on the smallest of products.

Health Care

In the medical field, computer vision systems thoroughly examine imagery from MRIs, CAT scans and X-rays to detect abnormalities as accurately as human doctors. Medical professionals also use neural networks on three-dimensional images like ultrasounds to detect visual differences in heartbeats and more.

Insurance

In the insurance industry, companies use computer vision to conduct more consistent and accurate vehicle damage assessments. The advancement is reducing fraud and streamlining the claims process.

Defence & Security

In high-security environments like banking and casinos, businesses use computer vision for more accurate identification of customers when large amounts of money are being exchanged. It's impossible for security guards to analyse hundreds of video feeds at once, but a computer vision algorithm can.

EXAMPLES OF CUSTOM SOLUTIONS FOR AI

THE ENGINEERING TEAM ARE ABLE TO DEPLOY
ADVANCED HARDWARE AND SOFTWARE
ENGINEERING SKILLS TO CREATE INNOVATIVE
SOLUTIONS FOR OUR PARTNERS.



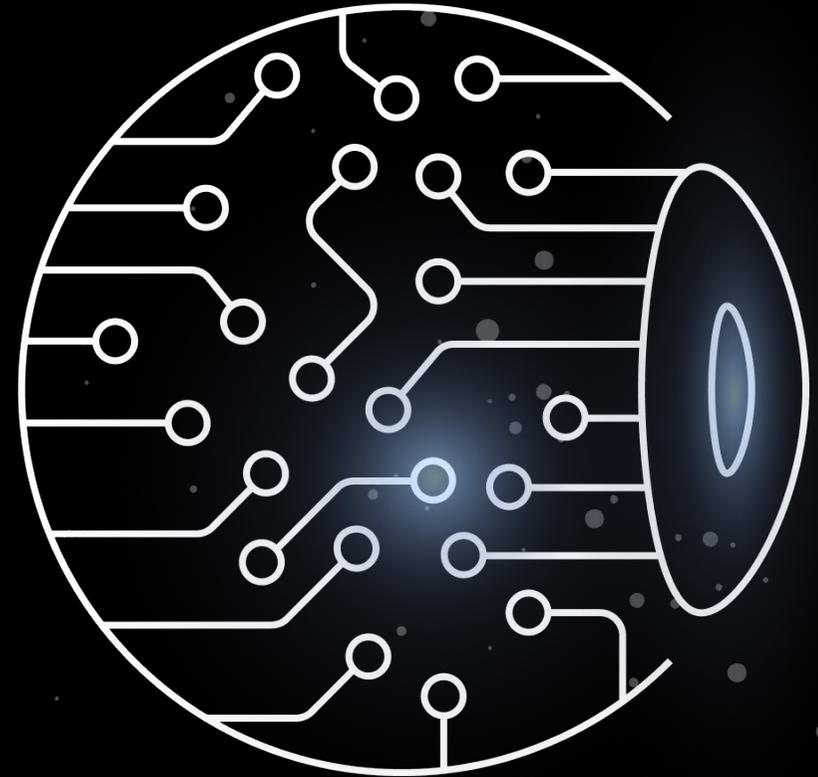
HIGH AWARENESS SYSTEMS

The Stealth team can integrate multiple sensors with hardware to collect and analyse the data required to allow automation of processes. For mining, this could mean combining vision, density and spectral sensors to characterise inputs to the ore processing stream such as hardness and content. For security, it could be combining cameras with laser scanners and infra red to allow a wider variety of operating conditions including in the dark. For manufacturing, this could be sensors to determine defects in the production line and react at real time speed to intervene and avoid wastage and downtime. Sensors can be packaged for mobile deployment applications and can be ruggedised for dust, water and vibration, and in an IoT format.

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AI ENHANCED COMPUTER VISION

Stealth has deep experience leveraging computer vision with AI to interpret a scene to determine the required response. For construction and mining, this could be cameras and drones deployed to determine if safety regulations are being followed or if unauthorised entry has taken place. For traffic systems, this could be to detect or even predict traffic safety violations such as vehicles running red lights, accidents or other hazards. For security, this could be automating crowd sentiment analysis or monitoring and predicting unwanted behaviour or detecting the presence of particular people.





FULL CUSTOM AUTOMATION SOLUTIONS

Stealth can implement a full custom hardware and software stack for any automation requirement. This can be as trivial as applying AI to existing data sources such as computer vision or data warehouses or more complex such as automated robots and vehicles or requirements that require continuous high-speed realtime automation. Stealth has an experienced team of international award winning PhD and Masters research engineers who can design, build, test and implement a solution that leverages leading edge technology.

S U M M A R Y

Stealth Technologies is collaborating with leading research institutes and experts across Artificial Intelligence technologies include Machine Learning, Computer Vision and Deep Learning to develop proprietary technologies and deliver innovative solutions based on Artificial Intelligence.

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