



Honeywell and SOR to Build Autonomous Robotic Vehicles

WESTERN AUSTRALIA, September 12, 2019 – Australian Securities Exchange listed Strategic Elements Ltd (**ASX: SOR**) is pleased to announce 100% owned Artificial Intelligence and Robotics Company 'Stealth Technologies' has signed an agreement with global Fortune 100 software-industrial company 'Honeywell' to build experimental autonomous robotic vehicles.

Strategic Elements Managing Director Mr Charles Murphy said "100% owned Stealth Technologies was generated by the Directors of Strategic Elements. An enormous amount of effort over the past 10 months has grown the venture from conception to working with one of the world's leading technology companies in Honeywell. The team has been working to finalise a number of opportunities and we look forward to potentially unveiling some highly innovative projects".

Honeywell and Stealth Technologies

Honeywell is a Fortune 100 technology company that delivers industry specific solutions that include aerospace products and services; control technologies for buildings and industry; and performance materials globally with a market value of approx. USD 100 Billion. Honeywell operates total asset and facility management operations globally across a range of market segments including Justice, Commercial, Health, Defence and Hospitality.

stealthOS - Autonomous AI Software

Most of the attention around autonomous technology has been focused on high profile self-driving projects by large global companies with long development timeframes. However, there are many other autonomous technology use cases that have an immediate payback and are feasible with today's technology. These often involve the use of autonomous mobile robots.

Autonomous mobile robots are designed for specific actions and tasks and can be designed to work in an unpredictable environment. The main activities of autonomous mobile robots are navigation, mapping, localization and movement. Robots are widely used for inspection, transportation and surveillance activities. Autonomous mobile robots also play an economic role in the military services, services industry, mining and metals, electricity sectors, oil and gas, automotive, building and healthcare industries. stealthOS will initially be targeted towards these applications with a focus on security related applications (through Honeywell) and the Mining and Defence sectors.

Stealth Technologies

Stealth Technologies team has an experienced in-house team of international award winning PhD and Masters qualified research engineers with deep capabilities in artificial intelligence, 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.

Stealth Technologies has the capability to custom build artificial intelligence and robotic 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); and
3. create artificial intelligence through machine learning and software development.

The Company also has a significant capability in computer vision technology. Global growth in visual data will be exponential over the next five years, with industry research predicting a proliferation of cameras integrated into products across industries and markets.

Key terms of Agreement:

1. Intention to work collaboratively to develop and pursue opportunities for autonomous robotic vehicles.
2. Stealth Technologies agrees to collaborate exclusively with Honeywell to develop and pursue opportunities for autonomous robotic vehicles for a term of 12 months.
3. An initial payment of approximately AUD\$100,000 from Honeywell to Stealth Technologies to begin to develop an experimental autonomous robotic vehicle. Any further payments will depend on the outcome of additional opportunities identified by the Parties through their collaboration.
4. Ownership of any material or intellectual property created by Stealth Technologies as well as any modifications will remain with Stealth Technologies.

Managing Director Mr Charles Murphy said “this is a significant achievement for Stealth Technologies and the Strategic Elements team. Strategic Elements Director, Elliot Nicholls (who has First Class Honours qualifications in engineering and robotics) has been instrumental in leading the technical team and forming partnerships. Strategic Elements Director, Matthew Howard (who has significant data software experience with USD 150+ Billion Company ‘Oracle’) has also been a driving force behind Stealth Technologies. I congratulate the whole team and look forward to the period ahead”.

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”.

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