



SOR Robotics and Corona Virus Update

WESTERN AUSTRALIA, Perth, April. 8th, 2020 – Strategic Elements is pleased to announce an update in relation to its 100% owned robotics Company 'Stealth Technologies'.

With the global Corona Virus pandemic impacting countries the world over, governments continue to focus their communications on the importance of protecting the critical infrastructure that provides essential services such as energy, communications, water, transport, health, food, banking and finance to their populations.

Evidence of this increased focus can be seen in the significant investments that are being made by governments and business in securing and protecting critical infrastructure. According to a report from Marketsandmarkets, the global CIP (Critical Infrastructure Protection) market is expected to grow to \$153.16 billion by 2022.

The Company, believes that advanced technologies such as robotics, artificial intelligence and automation will continue to provide an important, increased role in servicing these critical infrastructure facilities leading to increased commercial and investor demand for technology providers such as Stealth Technologies.

In light of the impact of the Corona Virus and the increased global focus in the importance of protecting critical infrastructure, the Company would like to provide shareholders with the following update:

Stealth Technologies “Robotics, Artificial Intelligence and Automation”

Due to the Company’s view on the forthcoming potential opportunities for its robotics, artificial intelligence and automation, expenditure in the resources sector will be scaled back in the short to medium term. The near term strategy for Australian Advanced Materials and the Nanocube technology is being finalised.

Australian and US Government Statements on Critical Infrastructure

Australian Department of Home Affairs

“Critical infrastructure provides services that are essential for everyday life such as energy, communications, water, transport, health, food and grocery, banking and finance, and the Australian Government. Secure and resilient infrastructure supports productivity, and helps to drive the business activities that underpin economic growth.

Critical infrastructure underpins the functioning of Australia’s society and economy and is integral to the prosperity of the nation. The Australian and state and territory governments share the following definition of critical infrastructure: ‘those physical facilities, supply chains, information technologies and communication networks which, if destroyed, degraded or rendered unavailable for an extended period, would significantly impact the social or economic wellbeing of the nation or affect Australia’s ability to conduct national defence and ensure national security.’

US Gov. Cybersecurity and Infrastructure Security Agency

“A disruption to critical infrastructure could have serious implications for business, governments and the community, impacting supply security and service continuity. The Critical Infrastructure Resilience Strategy aims to ensure the continued operation of critical infrastructure in the face of all hazards” -

“As the Nation comes together to slow the spread of COVID-19, on March 16th the President of the United States issued updated Coronavirus Guidance for America that highlighted the importance of the critical infrastructure workforce. Functioning critical infrastructure is imperative during the response to the COVID-19 emergency for both public health and safety as well as community well-being.”

The shutdown of any one of these critical infrastructure facilities would affect hundreds of thousands of people. The threats we face—digital and physical, man-made, technological, and natural—are more complex, and the threat actors more diverse, than at any point in history. Without adequate physical security, these operations are at risk of intrusion and sabotage.

Critical Infrastructure Protection (CIP) refers to the responses that governments or enterprises make to serious incidents covering vital sectors like, agriculture, water supply, finance, transportation, emergency supplies and many other critical infrastructure sites, which are essential to a country's economy and stability.

Why Robotics, Artificial Intelligence and Automation in Critical Infrastructure?

The pace of technology advancement in the fields of robotics, AI and automation is significant. These technologies now present governments and business with opportunities to leverage solutions for advanced surveillance and detection, autonomous patrolling and deterrence. Coupled with enormous data collection, analysis and predictive modelling opportunities. Not only do these technologies increasingly outperform humans, but importantly can take the place of humans in high risk and unsafe work environments, that are associated with critical infrastructure.

Honeywell and Stealth Technologies – Autonomous Robotic Security Vehicles

The Company has signed an agreement with global Fortune 100 software-industrial company 'Honeywell' (market cap approx. USD 100 Billion) to collaborate on building experimental autonomous robotic vehicles for security applications. Honeywell operates total asset and facility management operations globally across a range of market segments including Justice, Commercial, Health, Defence and Hospitality.

Stealth's first product is the ASV (Autonomous Security Vehicle)

- Agreement with Honeywell (approx. USD 100 Billion market cap) to develop an experimental autonomous security vehicle. The ASV under development for Honeywell incorporates:
 - StealthOS software and computer vision
 - AutoDrive for autonomous vehicle control
 - Customised robotics to automate specific physical actions
- Stealth retains ownership of all Intellectual Property it creates.
- Go to market strategy focused on Honeywell managed Australian and International facilities.
- Honeywell operates a large number of facilities globally across a range of market segments including Aviation, Justice, Commercial, Health, Defence and Hospitality.
- Sector specific with Stealth free to market ASV's to other sectors (e.g health, mining, utilities, defence).

Stealth Technologies

SOR is backing the development of a proprietary autonomous robotics platform with a team of international award winning PhD and Masters engineers with deep experience in AI, computer vision, autonomous vehicles and robotics for both software and hardware. Although the development of the autonomous security vehicle is the priority, the Company is also investigating other opportunities such as:

- *Computer Vision Opportunities*
Video surveillance systems, access control systems, alarms and notifications systems are increasingly becoming more sophisticated with the use artificial intelligence and computer vision technologies.
- *Health Sector Robotics Opportunities*
The Company has received approaches from scientists in regards to the potential for the stealthOS robotics platform to be directly utilised in the health sector. The Company is currently assessing the potential commercial use cases and will update the market further in this regard.

Company Comment

SOR Managing Director Mr Charles Murphy said *"We have been extremely focused upon the opportunity in front of us in the robotics and artificial intelligence security space. This focus has only intensified, given the impact of the Corona Virus and the need for governments to ensure critical infrastructure is secured, and services continue uninterrupted to their populations"*.

"We have recently enhanced our executive team appointing Mr James Hemmings as Vice President A/NZ. James has extensive technology industry experience and is a proven leader in driving business growth and customer success with large corporate and government clients. James is a non executive director of Rubicon Red, one of Australia's leading API consultancy firms, and has previously held senior sales and marketing positions at Oracle Corporation and Technology One. We will release a further update on the activities and developments within Stealth Technologies shortly".

About 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 high risk-high reward ventures and projects from combining teams of leading scientists or innovators in the technology or resources sectors. Most investors in SOR pay no tax on capital gains from selling their SOR shares as the Company operates under a Federal Government program setup to encourage investment into innovation. The Company is listed on the ASX under the code "SOR". More information on the Pooled Development Program should be read on the Company's website at www.strategicelements.com.au

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This announcement was authorised for release by Strategic Elements' Board of Directors.