ASX Announcement

7 October 2019

Australian Department of Defence Appoints Veriluma for Additional Services

Veriluma Limited (**ASX: VRI**, **Veriluma** or **Company**), one of Australia's leading Artificial Intelligence companies providing prescriptive analytics software solutions, is pleased to announce that Veriluma Software, a wholly owned subsidiary of the Company, has successfully extended its current contract to the Australian Department of Defence.

The new agreement is worth up to $760,000 and is in addition to the March 2019 contract worth $1.97m. Delivery of the services will begin immediately and complete in March 2022, with an option to extend for a further two years (on a +1 +1 basis).

Veriluma Software will supply hardware as a service in support of the training courses conducted at various locations around Australia for Veriluma's, and other technology vendors, software solutions. The service will provide laptops and associated peripherals for each student who attends training.

Commencing immediately, the existing Veriluma team will configure the training environment in time to deliver the first course to defence personnel at the end of October 2019. The Veriluma team will continue to deliver the hardware as a service and conduct courses at other Defence sites around Australia through the contracted period.

Veriluma Software CEO Elizabeth Whitelock commented:

"Our prescriptive AI provides the unique ability to focus decision making in critical and complex areas with confidence. We are delighted to provide further support in the training and adoption of Veriluma's software to Australian Defence and look forward to strengthening our relationship and furthering opportunities for our human centred AI within the Commonwealth."

For more information, please contact

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About Veriluma

Veriluma has developed and patented an advanced algorithmic approach to deliver decisive insight to decision makers. Veriluma's software, Intelfuze, augments the available data and human knowledge with artificial speed and unbiased accuracy. Intelfuze is a form of advanced, forward-looking analytics, which provides assessments about future outcomes and a preferred course of action. Originally developed for the Australian Defence Intelligence Organisation, Veriluma's software provides a rapid and accurate assessment about situations of national interest.

In complex decision making situations, the ability to comprehensively manage incomplete or uncertain inputs is highly valuable for businesses, governments and individuals. Orbis Research estimates that the Artificial Intelligence/Prescriptive Analytics market is currently worth US$4.6b, and will grow at a CAGR of 22%, to reach an estimated US$20b by 2020. Currently, 10% of organisations have some form of prescriptive analytics and this is expected to grow to 35% by 2020. [1]Source: Gartner Forecast Snapshot: Prescriptive Analytics, Worldwide, 2016; 5 February 2016.

Veriluma's software has wide application across multiple industries including banking and financial services, insurance, defence and national security, legal and health.

www.veriluma.com