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ASX ANNOUNCEMENT

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Strategic agreement with IBM, significantly expanding service scope

Straker Translations Limited (ASX: STG) is pleased to announce that it has been appointed as a Strategic Translation Service Provider to International Business Machines Corporation (IBM). The two-year agreement, with an option for an additional two years, commencing January 2021, will see Straker Translations support IBM Cloud Services, IBM Adaptive Translations Services and IBM Global Media Localisation.

The agreement:

- extends Straker Translations' current relationship with IBM, from one language (Spanish) to 55 languages, including a number of key popular languages
- utilises Straker Translations' proprietary Ai-Powered RAY platform by directly linking with IBM's technology platforms
- provides translation capabilities across 55 languages for IBM Adaptive Translation Services
- provides translation capabilities in the Media segment, a key growth market for Straker Translations, across 30 languages for IBM Global Media Localisation.

Straker Translations' CEO and Co-Founder, Grant Straker, said:

"We are thrilled to have secured this strategic agreement with IBM, and further build our existing relationship with a world leader in data management, software, artificial intelligence and cognitive computing. Our industry, like almost every other, is being fundamentally changed by the accelerating use of AI across all facets of localisation. The agreement requires extensive integration with IBM and the opportunity to build a deep partnership with the world's leading AI company is hugely exciting. We expect it will open up new opportunities for us to partner on innovation within our industry".

The relationship with IBM continues to deliver on Straker Translations' strategic vision of providing global, cloud-based and Ai-powered translations services.

Given the nature of this agreement, it is not possible to quantify the potential revenue to be generated by the translation services to be provided by Straker Translations to IBM, as such financial effect can only be determined over time based on usage volume. With the expanded scope, however, the Company anticipates a ~30% increase in its headcount to support future service

provision increase from the current single language to 55, including major languages such as French, Chinese, Portuguese, Japanese.

Straker Translations has a March 31st year end and the Company expects revenue from the agreement to impact Q4FY21 financial results. Historically, the contribution from IBM related translation services has been a material contributor to Company revenue.

This announcement has been authorised for release by the Board.

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About Straker Translations

Based in New Zealand, Straker Translations has established itself as a world leading AI data driven translation platform powering the global growth of businesses.

Straker Translations has developed a hybrid translation platform that utilises a combination of AI, machine-learning and a crowd-sourced pool of freelance translators. The Company's cloud-based platform manages the end-to-end translation process, leveraging AI, machine-learning (both inhouse and third party owned engines) to create a first draft translation and subsequently matching the customer's content with one or more of the approximately 13,000 crowd-sourced human freelance translators for refinement.

This process is managed using Straker's proprietary "RAY Translation Platform", which has been developed over eight years and is an enterprise grade, end-to-end, cloud-based platform. By leveraging machine translations and its big data assets, the RAY Translation Platform enables the delivery of faster and more accurate translations, lowering the time and cost to deliver versus traditional translation services. The platform can be integrated directly into customers' systems and consists of a customer dashboard, machine translation integration and modules for assisting and managing translators.

For more information visit: www.strakertranslations.com