

ASX Announcement 3 October 2017

Elsight to enter lucrative market of Autonomous Vehicles

Highlights

- Elsight chosen by the Ministry of Transportation to participate in a major international autonomous vehicle testing initiative based in Israel
- Elsight selected for its ability to simultaneously rectify a number of key challenges faced in v2v and v2x autonomous car communication.
- Elsight identifies autonomous vehicles as a strategic target market for the company, propelling its growth in the near future.

Tel-Aviv, Israel — **October 3rd, 2017** — **El Sight Ltd. (ASX: "ELS")**, is among a handful of companies chosen to pioneer a brand new Autonomous Car highway test site that was built specifically for that purpose north of Tel-Aviv. This dedicated test-road is a clear signal to the international community "if you wish to build and launch an Autonomous Car — come to Israel," as the government is eager and ready to support this industry on a global scale, hosted in Israel.

On Monday, Israel Katz, the Israeli Minister of Transportation inaugurated a new 1.3 Km road dedicated to the testing of Autonomous Cars <u>worldwide</u>. This is part of a national plan that was declared by the Government in January 2017 to advance "Smart Transportation". As part of that decision, in Item 2a of the government plan, it is written: "Promoting the establishment of an autonomous vehicle experiment center to support smart transportation."

For many observers, the question is no longer if, but rather when, Autonomous Cars will start driving on the world's highways and neighborhood streets. For high-tech players, this is a golden opportunity to enter the lucrative Automobile Industry. For *Elsight* there is nothing more intuitive then entering this field since its flagship, multichannel solution is ideally positioned to provide the missing piece in this puzzle of high bandwidth communication, with super military grade security and always-on communication.

Most high-end 2017 vehicles are equipped with around 8 computers. For example, in such cars, when the driver presses on the brake pedal, he is not actually pressing directly on the brakes, as in the past. Instead, by stepping on the brakes the driver triggers one of these computers that autonomously operates the brakes, controls other functions and stops the car.

The International Telecommunication Union (ITU) in Geneva has already allocated a dedicated Spectrum and has issued Spectrum Policies to enable and promote connected Cars and Autonomous Vehicles. In the marketplace the fear remains, that a hostile force could hack the car's network and cause a mega accident on a major highway - as these cars totally rely on the communication between the various nearby vehicles using "vehicle to vehicle" (v2v) and "vehicle to everything" (v2x) communication to navigate safely.

Elsight believes it has developed the world's fastest, super wideband, hacker proof, military grade secured, and always-on, redundant communication system. The Elsight Bonding technology is in daily use by various security departments, police and special units of the State of Israel. During the recent two-day visit to Israel by U.S. President Trump, the Israeli Police together with independent Israeli and American security forces used Elsight's Communication On-The-Move (COTM) solution to protect the President from the moment of Air-Force One's arrival, and until its departure.

The same wideband, super secured solution has now been adapted to the stringent requirements of autonomous vehicles. These cars are producing a monumental amount of data and video. Elsight's unique technology is best fitted to extract, in real time, the huge amounts of data and HD video from the car with the highest bandwidth, secured connectivity and high availability during testing. Pre Elsight, most manufacturers kept the information in the vehicle until their storage was full, and then proceeded to download them manually, due to fear of hacking.

A summary of Key *Elsight* strengths for this market are as follows:

Fits the need: Elsight developed innovative technologies for Mobile, Reliable, Always-On, and Secured realtime data transfer over cellular and ITU allocated frequencies.

High Bandwidth: Elsight provides high bandwidth connectivity by aggregating multiple cellular links into a single highly available communication tunnel.

Super secured communication: Elsight's technology splits each data package into many pieces, encrypts each piece separately and locks it into a VPN tunnel, making it virtually impossible to hack the connectivity in the air.

High availability: Elsight provides high availability due to failover real-time redundancy mechanism built-in to *Elsight*'s bonding Technology.

"I see a huge potential in the autonomous car vertical for *Elsight*. Today's launch in Tel Aviv is just one of the many beginnings that we have in this industry. We have several parallel projects right at the beginning of the road that fulfill my vision of having *Elsight* in every car making it safer and more reliable to be in an autonomous driving car" said Nir Gabay, CEO of El sight.

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About Elsight

Elsight (www.el-sight.com) is a solution provider of ground-breaking hybrid video and data transport services (on-the-move or fixed) for large Safe-City projects, sensitive facilities management, and surveillance and protective activities. The platform supports video capturing, recording, and highly secured transmission against video interception and hacking. Elsight's platform was designed to address the most demanding requirements of Special Forces across enemy lines and sophisticated intelligence organizations. These systems underwent the most rigorous testing in combat situations as well as extensive testing by the most demanding laboratories. As a result, they present an unmatched level of reliability, lowest latency, and highest adaptive bandwidth over cellular networks that enables HD and 4K tv transmission quality, with "never-fail" redundancy and much more. For the first time they offer strict military requirements for civil usage. Elsight's customers range from defense and homeland security, industrial security, broadcasting, first responders and healthcare.