

16 September 2019

ASX Announcement

DRAGONTAIL COLLABORATES WITH US FOOD AGGREGATOR - POSTMATES

HIGHLIGHTS

- **Dragontail extends its penetration in QSR food delivery aggregator sector by executing a collaboration agreement with one of America's leading food delivery aggregator companies Postmates.**
- **Collaborations with food delivery aggregators provide potential significant scalable growth increasing the Company's total addressable market.**
- **This collaboration is in line with Dragontail's focus on expanding into the US QSR market.**

16 September 2019 (Melbourne): Dragontail Systems Limited (ASX: DTS, the **"Company"** or **"Dragontail"**) is pleased to announce it has entered into a new aggregator collaboration with one of America's leading food-delivery aggregators – Postmates Inc. (**"Postmates"**). This newly established relationship is part of Dragontail's focus on expanding into the USA market and securing new potential large customers that will be utilizing the Dragontail technologies in that market.

This collaboration joins two other similar alliances recently made by Dragontail with DoorDash Inc. - a logistic and delivery company active mainly in markets in North America, and Kin Shun Information Technologies PTE Limited - a Singapore based company that offers a tailored delivery solution, last mile and point-to-point delivery services and operates mainly in the Asia-Pacific markets.

These collaborations will be composed of using Dragontail's Algo Platform. The Algo algorithm will automatically include the alternative to use the restaurant's own drivers (if available) or aggregator drivers and manage the deliveries, on the best available alternative basis, all fully computerized and automated.

The collaboration with all these aggregators will provide Quick Service Restaurants (**QSR**) the opportunity to incorporate the possibility of delivering via the aggregator drivers together with their own delivery systems, through the optimisation benefits of the Algo Platform thus enjoying greater cost efficiency and customer satisfaction.

As of February 2019, Postmates operates in 2,940 U.S. cities. Launched in 2011 and headquartered in San Francisco, California, Postmates pioneered the on-demand delivery movement in the United States by offering delivery from restaurants and stores that previously did not offer delivery. In January 2019, Postmates raised \$100 million with the total valuation of the company reaching \$1.85 billion, with Tiger Global Management (Dragontail's biggest investor) being a large shareholder.

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About Dragontail Systems

Dragontail is revolutionising the Quick Service Restaurant (QSR) and foodservice industry with its Algo System and computer-vision QT quality system that uses artificial intelligence (AI) machine learning.

The Algo System uses a sophisticated patented algorithm to optimise and manage the entire food preparation process from order to delivery. It is the first system in the world to fully automate and streamline the kitchen flow to deliver an immediate and significant return on investment to fast food and quick service restaurants.

The QT system's sensor and camera automatically monitor the preparation and cooking process in the kitchen to improve the quality and consistency of meals. Using proprietary advanced AI machine-learning technology, the system keeps improving its diagnostics, becoming even more efficient.

For more information, visit www.dragontailsystems.com.