

ASX RELEASE**Update regarding sale of Flamingo AI assets**

SYDNEY, 15 June 2020, Flamingo Ai Limited (“Flamingo Ai” or “the Company”) (ASX: FGO) advises that following the completion of due diligence by Rymamay Investments (as trustee for the Craig Neil Investment Trust), the sale of the assets of Flamingo AI will not be proceeding as the parties could not agree the terms of the share sale agreement.

As a result the Board has determined that unless it is able to find a suitable acquirer for the Intellectual Property or business operations within the next 30 days, it is in the best interests of the shareholders that the Flamingo AI business will be discontinued effective 31 July, 2020.

The Company will continue to explore all avenues to find a suitable acquirer for the business operations and Intellectual Property.

As announced 21 May, the Company has commenced a process to look for additional assets to acquire. Depending on the timing and size of transaction, the Company may need to re-comply with Chapters 1 and 2 of the Listing Rules.

The Company estimates it will have approximately \$1.4m in cash at 30 June 2020, after payments of accrued staff entitlements.

[ENDS]

This announcement has been approved by the Board of Flamingo AI.

For further information, investor or media enquiries, please contact:

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