

25 July 2019

ASX Announcement

DRAGONTAIL ALLIES WITH WORLD LEADING FOOD AGGREGATORS

25 July 2019 (Melbourne): Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”) is pleased to announce that it has engaged in strategic alliances with the world's leading food-delivery aggregators – DoorDash, Inc (“**DoorDash**”) and Kin Shun Information Technologies PTE Limited (“**Kin Shun**”), which will cover North America and Asia-Pacific. Systems integration is already taking place with expected completion in a couple of months.

DoorDash is a logistic and delivery company active mainly in markets in North America. Kin Shun is a Singapore based company that aims to offer a tailored delivery solution, last mile and point-to-point delivery services and operates mainly in the Asia-pacific markets.

These strategic alliances are strategic due to Dragontail's unique ability to offer its QSR customers who use the Algo Platform, the possibility of combining deliveries carried by drivers operated by aggregators along with deliveries carried by drivers that are part of the customer's workforce. The Algo algorithm will automatically include the alternative to use its own drivers or aggregator drivers and decide, on the basis of a set of considerations, which is the most accurate and effective alternative.

The combination of these capabilities will enable the QSR industry to enjoy the added values of Dragontail’s unique technology together with the advantages brought by the aggregators. It is only thanks to the ability of the Algo to control the kitchen and packing processes that it is possible to coordinate a driver to arrive just in time as the food is ready, and to avoid situations where drivers wait for food to be ready for dispatch or the food waiting for the driver to collect it. This is the unique advantage of Dragontail’s management of kitchen processes along with dispatching processes.

The integration of the Algo Platform with an aggregator's system will enable restaurants to confirm driver locations and rates, while incorporating this information and other parameters to the Algo's integrative database. **The Algo Platform can ultimately optimize customer satisfaction while minimizing cost of delivery to the restaurant.**

As part of the Algo's modules, Dragontail's customers can also use the unique Driver Sharing module that enable's nearby stores to use the same pool of drivers. Thus, stores will have the ability to use a pool of drivers that are part of their joint workforce while incorporating aggregator's drivers as well.

Mr. Ido Levanon, Dragontail's Managing Director, added: "Dragontail's engagement with the leading aggregators has opened a new set of opportunities for our customers to enjoy the ultimate solution combining our unique technology with the aggregators' driver logistics. Moreover, this opens the door for Dragontail to offer its technology to customers who rely only on external drivers. We believe that it will lead to an upmost optimization of customer service and cost of labor, for any restaurant that uses our technology."

- END -

For further information please contact:

Corporate:

Ido Levanon, CEO
P: +61-3 9088 0374

Stephen Hewitt-Dutton, Company Secretary
P: +61-8 6211 5099

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.