

30 March 2020

DTS Partners with Yum! for Latin America - Clarification

30 March 2020 (Australia): Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”) refers to its announcement dated 30 March 2020 in relation to the Statement of Work (“SOW”) it has entered into with YUM! Restaurants International, Inc (“**YUM! LA**”) for deploying its Algo Platform in Pizza Hut stores for Telepizza Group S.A.

The Company provides the following additional information in relation to the SOW:

- The SOW has no fixed term, however pricing set out in the SOW is valid for two years;
- Revenues resulting from the SOW are not able to reliably estimated the at this stage as it is dependent on the take up by franchisees; and
- The SOW is subject to the terms of the Master Agreement between Yum Restaurant Services Group, Inc. and Dragontail Systems Ltd (Israel) as detailed in section 7.2 of the Company's prospectus dated 28 September 2016.

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For further information please contact:

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About Dragontail Systems

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

The Algo Platform 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 and is currently installed in approximately 1,250 stores.

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 patented advanced AI machine-learning technology, the system keeps improving its diagnostics, becoming even more efficient and is currently installed in approximately 850 stores.

For more information, visit www.dragontailsystems.com.

This ASX Announcement was approved and authorised by Dragontail's Board of Directors.