

29 May 2020

## DRAGONTAIL RECEIVES SHAREHOLDER APPROVAL TO COMPLETE STRATEGIC FUNDING

### Highlights:

- Dragontail has received shareholder approval of the funding to raise up to A\$19.25m from two strategic US investors, Eldridge Industries, and Goudy Park Capital LP, and with the support of the Company's largest Australia-based shareholder, Alceon.
- The addition of Eldridge and Goudy to the Company's register will provide not only strategic value with their industry expertise but further demonstrates validation, with Dragontail now having three leading US investors including Tiger Global.
- Following the settlement, expected in early June 2020, the Company will be fully funded to execute on its growth strategies whilst being debt free.

29 May 2020 (Australia): Dragontail Systems Limited (ASX: DTS, the “**Company**” or “**Dragontail**”) is pleased to announce it received shareholder approval at the Extraordinary General Meeting held on 28 May 2020. The two-stage equity raising is to raise up to A\$19.25m via the issue of convertible preference shares, as detailed in the Company's Announcement dated 23 March 2020. Settlement of the first stage of the funding of A\$12M is expected to occur in the coming days and will be announced once received.

The funding is led by Eldridge Industries (“**Eldridge**”), and Goudy Park Capital LP (“**Goudy**”), with the support of the Company's largest Australia-based shareholder, Alceon Liquid Strategies Pty Ltd (“**Alceon**”).

The funding enables the Company, which is now debt free, to expand its activities and capitalise on the vast opportunities presented to it. This includes the expansion into the significant markets of the US, Latin America and the European continent, while preserving the Company's grip in the Asia Pacific region and other active markets.

Following achieving significant milestones, and major QSR brands validating the products they provide to customers around the world, the Company is confident of its continuing growth and fulfilling the exciting projects it has underway.

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

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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.

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.

For more information, visit [www.dragontail.com](http://www.dragontail.com).