22 February 2019

ASX Announcement

Veriluma to commence 3 year contract to supply Australian Department of Defence

Veriluma Limited (**ASX: VRI, Veriluma** or **Company**), one of Australia's leading Artificial Intelligence companies providing prescriptive analytic software solutions, is pleased to announce that **Veriluma Software**, a wholly owned subsidiary of the Company, has signed a contract worth $1.97m over 3 years, with an option to extend for a further 2 years, to supply software and services to the Australian Department of Defence. Veriluma will play a role in the transformation of data into value-added intelligence.

Veriluma Software CEO Elizabeth Whitelock commented:

"We are delighted our proposal has been accepted by the Commonwealth. Veriluma's software and personnel will support the essential work carried out by the department in the protection of Australia's national interests in an ever-complex environment. We look forward to strengthening our relationship with Defence over the next 3 years and into the future."

For more information, please contact:

investor@veriluma.com

About Veriluma and Prescriptive Analytics:

Veriluma has developed and patented an advanced algorithm dealing in Prescriptive Analytics. Prescriptive Analytics is a form of advanced, forward-looking analytics, which provides assessments about future outcomes. Although most types of analytics aim to assist and improve in the decision making process, only Prescriptive Analytics delivers a preferred course of action. Developed by a Commonwealth Research Centre for the Australian Defence Intelligence Organisation, which has been utilising Veriluma's technology since 2013, Veriluma's software assists decision makers with rapid and accurate assessments of terrorism and national security threats using its patented technology.

In complex decision making situations, the ability to comprehensively manage incomplete or uncertain inputs is highly valuable for businesses, governments and individuals. Orbis Research estimates that the Artificial Intelligence/Prescriptive Analytics market is currently worth US$4.6b, and will grow over the next 5 years at a CAGR of 22%, to reach an estimated US$20b by 2020. Currently, 10% of organisations have some form of prescriptive analytics and this is expected to grow to 35% by 2020. [1]Source: Gartner Forecast Snapshot: Prescriptive Analytics, Worldwide, 2016; 5 February 2016

Veriluma's software has wide application across multiple industries including banking and financial services, insurance, defence and national security, legal and health.