

SOR Honeywell Autonomous Security Vehicle Agreement

October 16, 2020 – ASX listed Strategic Elements Ltd (**ASX: SOR**) reports that **subsidiary** ‘Stealth Technologies’ and global Fortune 100 software-industrial company ‘Honeywell’ have amended their existing agreement to allow time for the parties to continue negotiations on a **broader partnership agreement**. Further, the Company reports that the Autonomous Security Vehicle under development with Honeywell and the WA Department of Justice has **successfully passed User Acceptance Testing**.

The Company previously formed an agreement to collaborate exclusively with Honeywell for autonomous robotic vehicles for the correctional justice sector¹. Under the amendment the exclusivity period has been extended for 6 months until April 9th 2021.

- **The parties amended the agreement to extend the exclusivity period to allow sufficient time to continue negotiations in relation to a broader partnership agreement.**

Background information (announced to ASX on September 12, 2019)

“Stealth Technologies’ has signed an agreement with global Fortune 100 software-industrial company ‘Honeywell’ to build experimental autonomous robotic vehicles”

“Honeywell is a Fortune 100 technology company that delivers industry specific solutions that include aerospace products and services; control technologies for buildings and industry; and performance materials globally with a market value of approx. USD 100 billion. Honeywell operates total asset and facility management operations globally across a range of market segments including Justice, Commercial, Health, Defence and Hospitality”.

Key terms of the agreement included a) Intention to work collaboratively to develop and pursue opportunities for autonomous robotic Vehicles b) Stealth Technologies agrees to collaborate exclusively with Honeywell to develop and pursue opportunities for autonomous robotic vehicles for a term of 12 months and c) Ownership of any material or intellectual property created by Stealth Technologies as well as any modifications will remain with Stealth Technologies.

- **Autonomous Security Vehicle under development with Honeywell and the WA Department of Justice has successfully passed User Acceptance Testing.**

Background information (announced to ASX on June 19, 2020)

Stealth Technologies, Honeywell and the WA Department of Justice “are collaborating to research and develop a fully autonomous security vehicle to inspect, test and confirm the integrity of the secure perimeter, and how this innovative new technology will enable these inspections to be carried out with no human intervention while integrating seamlessly into the existing technology stack in place at the Eastern Goldfields Regional Prison”.

“The next steps for the collaboration are a) ASV will have final validation and acceptance testing beginning Q3 2020 and b) to investigate the potential use in other facilities with some changes i.e., using 4 or 5g networks”.

Strategic Elements Ltd

The Australian Federal Government has registered Strategic Elements as a Pooled Development Fund which enables most shareholders to pay no tax on capital gains or dividends. Strategic Elements operates as a ‘venture builder’ where it generates ventures and projects from combining teams of leading scientists or innovators in the technology or resources sectors. The Company is listed on the ASX under the code “SOR”. More Information: Mr Charles Murphy, Managing Director. Phone: +61 8 9278 2788 Email: admin@strategielements.com.au www.strategielements.com.au

This announcement was authorised for release by Strategic Elements’ Board of Directors.

1. ASX Announcement : 12/09/2019