

ASX Announcement

29 May 2019

Veriluma to enter joint venture to *predict* customer behaviour

Veriluma Limited (ASX: VRI, Veriluma or Company), one of Australia's leading Artificial Intelligence companies providing prescriptive analytics software solutions, is pleased to announce that **Veriluma Software**, a wholly owned subsidiary of the Company, will enter a joint venture with **Potentiate**, an Australian based data intelligence company, focused on customer experience measurement and management, employee engagement; and market insights.

The first application of the joint venture involves using Veriluma's approach to predict future purchase intention within a particular category using robust industry data. The test case assessed the accuracy and validity of the model. The result was an astounding 83% accuracy predicting an individual's future purchasing behaviour. This outcome provides confidence that a fully realised model will have impressive predictive power, at an individual customer level, well above what is generally possible using "look alike" methodologies.

The two companies are finalising the development of the application with a view to launch later this year.

Potentiate Group CEO, Henry Cheang said:

"At Potentiate, we constantly seek to challenge the status quo in the way we do things for our clients. Veriluma's prescriptive analytics approach is a game-changer for companies, offering one of the most highly validated models for informing business decisions. We are delighted to be partnering with Veriluma, and look forward to sharing their approach with our clients. Those who have had a preview are already eager to get started."

Elizabeth Whitelock, CEO of Veriluma Software commented:

"Potentiate specialises in data intelligence. Veriluma brings another dimension of understanding for Potentiate's clients by increasing their insight for focused, effective action. We are delighted to work with a pioneering data company. Together, we will develop solutions for industries and clients that, traditionally, Veriluma has not targeted. Potentiate is a leader in customer experience and we are excited to work with them."

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About Potentiate

Potentiate is a data intelligence company focused on customer experience management; employee engagement; and market insights. Potentiate offers a consultancy-led approach, coupled with world-class technology and smart research design.

Diverse in nature and approach, Potentiate embraces fresh ideas and forward thinking: having the courage to challenge not just what you see, but the way in which you see it.

Potentiate has been in the marketing, market research and technology industry for over 20 years. Headquartered in Sydney, with offices in Melbourne, Seattle, Tokyo and Kuala Lumpur.

When working with Potentiate quality and security are assured, proven by Potentiate's ISO27001 and Fair Data accreditations and multiple industry accolades at a national, regional and global level, including winning the Temkin CX Vendor excellence award.

www.potentiate.com

About Veriluma

Veriluma has developed and patented an advanced algorithmic approach to deliver decisive insight to decision makers. Veriluma's software, Intelfuze, augments the available data and human knowledge with artificial speed and unbiased accuracy. Intelfuze is a form of advanced, forward-looking analytics, which provides assessments about future outcomes and a preferred course of action. Originally developed for the Australian Defence Intelligence Organisation, Veriluma's software provides a rapid and accurate assessment about situations of national interest.

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 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. ¹Source: 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.

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