
9 December 2019

SenSen Completes Placement and Signs Global Exclusive Distribution Agreement with Angel

HIGHLIGHTS

- *SenSen and world-leading casino supplier, Angel Playing Cards, execute multi-faceted exclusive distribution agreement to supply SenGAME 3.0*
- *SenSen grants global SenGAME 3.0 exclusive distribution rights to Angel to lead global expansion drive*
- *Premium priced 4.99% Placement completed with Angel at a price of \$0.15 per share to raise ~A\$3.3 million*
- *Initial five-year Distribution Agreement signed, including a minimum payment of US\$5 million (~A\$7.3 million) to SenSen*
- *SenSen and Angel to focus on growing the SenGAME 3.0 customer base internationally and further develop SenGAME 3.0 to drive additional revenue streams*

Leading smart cities solution provider SenSen Networks Limited (ASX: SNS, "SenSen" or "the Company") is pleased to advise that it has executed a global, exclusive, SenGAME 3.0 Distribution Agreement and Placement Agreement with Angel Japan Co., Ltd ("**Angel**").

SenGAME 3.0 is proprietary SenSen software that is installed on casino gaming tables. The software processes video images in real time, to determine the number of players at the table and hands dealt per hour, as well as the number, type, and value of all bets placed. This information can be used for business intelligence purposes.

It is expected that the issue of shares under the Placement Agreement (**Placement**) will be issued today, at which point the Distribution Agreement will come into effect.

Angel (www.angelplayingcards.com) is a leading player in the casino industry, engaged in the business of selling high-quality casino equipment including playing cards, chips and other gaming objects as well as related devices for gaming usage by casinos worldwide, including its unique Angel Eye Complete solution.

Angel's principal business office is located in Kyoto, Japan, with manufacturing facilities in Japan and Singapore. Angel also has offices in the United States, Macau, Australia, and the Philippines. To further expand into the United States, in May 2019, Angel acquired Las Vegas based table game equipment supply company, Gaming Partners International (GPI).

Placement Agreement

In granting exclusivity to Angel, SenSen is undertaking a ~A\$3.3 million private Placement to Angel for a total of 22,195,100 shares in the Company (Placement Shares), equal to approximately 4.99% of the total post-Placement issued shares of SenSen. The Placement is being conducted at a price of \$0.15 per share, an ~68% premium to the closing price of SenSen shares on 4 December 2019.

The Placement Shares will be issued under SenSen's ASX Listing Rule 7.1 placement capacity and will rank equally in all respects with the other SenSen shares on issue. The Placement funds will be used by SenSen to further develop SenGAME 3.0 and for general working capital.

Under the Placement Agreement, Angel has an anti-dilution right for a period of one year, whereby, in the event that SenSen undergoes a placement of voting shares, SenSen agrees to provide a first right of refusal to Angel to allow Angel to subscribe for or purchase such securities, so as to allow Angel to retain its proportionate ownership of voting shares in SenSen on a fully diluted basis.

Distribution Agreement

Under the Distribution Agreement, Angel has been appointed as SenSen's exclusive distributor of SenGAME 3.0 worldwide. SenSen has agreed to sell its SenGAME 3.0 software to Angel for a fixed monthly per-table price during the initial period of the Agreement.

Angel is responsible for obtaining and maintaining all necessary approvals or licences as the exclusive distributor or supplier of SenGAME 3.0 from relevant authorities, including gaming authorities, in each relevant jurisdiction.

The Distribution Agreement is for an initial term of five years, commencing 1 January 2020, and can be automatically extended for a further three years at the end of the initial term.

Angel will pay a total minimum payment of US\$5 million (approximately A\$7.3 million) as advance payment during the initial term, in accordance with the following payment schedule, to be paid in equal quarterly instalments:

- Year 1: US\$408,000 (~A\$598,000);
- Year 2: US\$744,000 (~A\$1,091,000);
- Year 3: US\$980,000 (~A\$1,436,000);
- Year 4: US\$1,316,000 (~A\$1,930,000); and
- Year 5: US\$1,552,000 (~A\$2,277,000).

SenSen considers this is an important step in distributing SenGAME 3.0 globally. SenSen and Angel will work together to grow the customer base for SenGAME 3.0 worldwide.

Commenting on the partnership with Angel, SenSen CEO Subhash Challa said:

“This is undoubtedly a transformational deal for SenSen and its shareholders. Angel is a world leader in supplying its highest-quality equipment to the world’s leading casinos, including cards, chips and devices to the casino industry. Angel has unparalleled market reach whose extremely powerful distribution platform will see SenGAME 3.0 rapidly deployed on gaming tables globally.”

“I am also delighted to welcome Angel as a significant shareholder in SenSen’s business and we look forward to working closely with the Angel team to dominate the market with our combined offering.”

This ASX Announcement is authorised by the Board of SenSen.

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About SenSen Networks Limited

SenSen is focused principally on the development, commercialisation and supply of innovative, data-driven business process enhancement solutions, designed to assist customers in their business operations and significantly improve business efficiency and productivity.

SenSen provides video analytics and artificial intelligence data analytics software solutions to customers in the intelligent transportation systems and gaming sectors located in Australia, Canada, Singapore, Europe, India, and UAE.

Disclaimer – forward-looking statements

This release may contain forward-looking statements. These statements are based upon management’s current expectations, estimates, projections and beliefs in regards to future events in respect to SenSen’s business and the industry in which it operates. These forward-looking statements are provided as a general guide and should not be relied upon as an indication or guarantee of future performance. The bases for these statements are subjected to risk and uncertainties that might be out of control of SenSen Networks Limited and may cause actual results to differ from the release. SenSen Networks Limited takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.