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ASX Announcement **13 January 2022**

Elsight's "Halo" bonded connectivity solution has been selected by DroneUp for Drone Delivery Rollout

Key Highlights:

- **Elsight's "Halo" bonded connectivity solution has been selected by DroneUp for the crucial task of controlling drones Beyond the Visual Line of Sight (BVLOS), to ensure absolute connection confidence to their drones used for commercial parcel deliveries.**
- **First commercial order of Halo units combined with monthly recurring Elsight cloud and SIM card services has been received by DroneUp for deployment.**

Elsight Limited (ASX: ELS) ('Elsight Ltd, 'Elsight' or 'the Company'), the recognised industry leader in drone connectivity solutions, is pleased to announce a commercial order has been received and delivered under a ground-breaking and industry accelerating collaboration with **DroneUp LLC ('DroneUp')**, a leading US based complete UAV (Unmanned Aerial Vehicle) services provider.

DroneUp has placed a commercial order of Elsight's "Halo" to support their initial fleet of parcel delivery drones (this order is equivalent to ~80% of 1H 2021 revenues for Elsight). "Halo" provides DroneUp with a robust connectivity solution for command-and-control redundancy certification, critical and secure data transmission, and uninterrupted connectivity. DroneUp has utilized Elsight's "Halo" as the connectivity solution to complete the end-to-end link between the drone, with all the communication technologies, DroneUp field drone hub and DroneUp control-centre. DroneUp's commercial order validates Elsight's potential for growth within the fast-developing drone industry.

On June 17th, 2021 John Furner, CEO and President, Walmart U.S. announced Walmart's large strategic investment in DroneUp.

On November 22nd, 2021 DroneUp and Walmart jointly announced their first **Multi-Site Commercial Drone Parcel Delivery Operations**, and also launched their drone delivery orders website "**Delivery on the Fly**".

In 2021 DroneUp was selected to provide a representative to sit on the Federal Aviation Administration's (FAA) Beyond Visual Line of Sight (BVLOS) Aviation Rule Making Committee (ARC) to participate in the development of beyond line-of-sight drone flights. John Vernon, DroneUp's Chief Technology Officer (CTO), will represent DroneUp on the ARC.

DroneUp's first commercial order with Elsight not only affirms Halo's strong position within the drone parcel delivery arena, but also validates its potential for growth within this fast-developing industry.

Elsight CEO Yoav Amitai commented on DroneUp's decision to choose Elsight:

"This order from DroneUp affirms the validity of our design-win strategy within the drone industry. We are delighted that DroneUp has chosen us to leverage our Halo bonded connectivity solution to ensure absolute connection confidence to their drones for commercial deliveries.

"Such orders are a great indication for Elsight's suite of connectivity solutions, and our ability to be a solution provider wherever and whenever businesses need absolute and uncompromised connection confidence."

Authorized for release by the Board of Directors of Elsight Limited.

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About Elsight

Elsight (www.elsight.com) Elsight delivers Absolute Connection with 24/7 Confidence. Our proprietary bonding technology incorporates both software and hardware elements to deliver extremely reliable, secure, high bandwidth, real-time connectivity - even in the most challenging areas for stationary, portable, or actively mobile situational requirements.

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