



ASX and MEDIA RELEASE

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Dotz signs A\$528K commercial agreement to authenticate medical face-masks in Australia

Dotz has signed a A\$528K commercial agreement with V2Tech Distributors to mark 30 million Australian medical face masks with its ValiDotz™ security taggants, ensuring authenticity and preventing fraud.

- Agreement follows increasing demand for safe and authentic face masks in Australia due to COVID-19 government directives mandating face mask use
- V2Tech to pay Dotz 5 per cent of the contract value within 30 days, with the balance expected in Q4 2020 upon delivery by Dotz of the quantity of ValiDotz™ security markers and encrypted QR codes needed to authenticate the 30 million masks
- Face masks are designated for the health sector, government and retailers throughout Australia
- V2Tech to be sole distributor for two years of Dotz's unique end-to-end authentication solution for face masks in the Australian PPE market, provided agreed annual sales target is met
- Dotz's non-toxic security markers also include encrypted QR codes that can be read with a smartphone app
- ValiDotz™ markers contain multiple layers of security and are virtually impossible to reverse engineer

Dotz Nano Limited (ASX:DTZ) ("Dotz" or "The Company") an advanced technology company developing, manufacturing and commercialising marking, tracing and verification solutions has entered into a commercial agreement with V2Tech Distributors Pty Ltd. ("**V2Tech**"), an Australian-based corporation specialising in wholesale distribution, to supply its anti-counterfeiting and tracing capabilities for face masks and other PPE equipment ("**Agreement**").

Under the agreement, V2Tech Distributors will pay A\$528K to Dotz to supply ValiDotz™ security markers and geo-specified tamper-proof stickers with encrypted QR codes to authenticate an initial order of 30 million face masks for the Australian health sector, government and retailers.

V2Tech will pay Dotz 5 per cent of the contract value within 30 days of the Agreement date. The balance will be paid upon delivery by Dotz of the quantity of ValiDotz™ security markers and encrypted QR codes needed to authenticate the 30 million masks, expected in Q4 2020.

V2Tech will be the sole distributor for two years of Dotz's unique end-to-end authentication solution for face masks in the Australian PPE market, provided the agreed annual sales target for masks is met. Agreement to be renewed automatically as long as these targets are met.

As an incentive, Dotz will grant V2Tech 1.5 million unquoted options with an exercise price of A\$0.23 vesting on a pro-rata quarterly basis over the two-year period if performance targets are met, with an expiry term of three years from the date of the Agreement ("**Options**"). The issue of options will be subject to shareholder approval.



Dotz's non-toxic anti-counterfeiting technology provides a safe, easy to implement, cost effective, on-site detection system to mark, identify, verify and trace quality face masks and other PPE from original and reliable manufacturers.

Dotz CEO Uzi Breier said, "This commercial agreement is another example of the broad market opportunity available for our industry-leading and end-to-end anti-counterfeiting technology. Our recent pivot shows how we can harness our technology and combine the physical and the digital domains to assist in preventing the spread of the pandemic through the detection of genuine PPE equipment, will enable Australian medical facilities, retailers and end-customers to verify that they are using authentic face masks."

Dotz Chairman Bernie Brookes added, "Dotz is continuing to execute the commercialisation strategy set by the Board of Directors, and I am especially excited to see its anti-counterfeiting technology being used to assist in reducing the spread of COVID-19 here in Australia."

V2Tech is a newly incorporated entity. V2Tech's Directors have over 25 years' experience implementing technology into retail, supply chain and consumer goods. V2Tech's Director of Business Development Abraham Althaus said: "V2Tech is pleased to have been selected as the strategic distribution partner for ValiDotz™ in Australia. This distribution agreement bolsters both organisations' commitment toward building a more transparent supply chain that consumers can rely on for authentic and verified PPE equipment, which is of critical importance during this pandemic and beyond."

This announcement has been authorised for release by the Board.

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About Dotz Nano Limited

Dotz Nano Limited (ASX: DTZ) is a technology leader in research, production and marketing of anti-counterfeiting, authentication and tracing solutions. Dotz has strong, established distributors in North America, Europe, Japan, China and Australia as well as scientific collaborations and partnerships with leading academic institutes.

Its unique products ValiDotz™, BioDotz, Fluorensic and InSpec are exceptional solutions for numerous applications, such as anti-counterfeiting, brand & reputation protection, oil & gas industry, liquids tagging, lubricants, polymers tagging and bio imaging.

Recently the company has harnessed its technology to mark personal protective gear including face masks

To learn more about Dotz, please visit the website and corporate video via the following link www.dotz.tech

About V2Tech

V2 Tech Distributors Pty Ltd is a newly incorporated Australian distribution company specialising in delivery and supply-chain management for personal protective equipment (PPE), including facemasks. The company promotes greater transparency in supply chain and is committed to supplying products and merchandise uniquely and immutably verified for quality, authenticity and ethical sourcing compliance.

To learn more about V2Tech, please visit the website via the following link <https://v2tech.co>