



**seeingmachines**

24 September 2007

**Seeing Machines Limited  
("Seeing Machines" or the "Company")**

**Fund raising, issue of shares, general meeting, and change in shareholding**

Seeing Machines (AIM: SEE), a leading developer of advanced computer based imaging software systems, is pleased to announce that it has raised up to £1,287,130 million before expenses via the issue of 51,485,206 new ordinary shares at 2.5p per share through a placing (the "Placing"). The Placing is to be conducted in two tranches as follows:

- tranche 1 of 8,348,000 Ordinary Shares
- tranche 2 of 43,137,206 Ordinary Shares conditional on shareholder approval

Tranche 1 has been concluded today providing additional working capital to the Company of A\$500,000 (£208,700). 8,348,000 new Ordinary Shares were issued and allotted on 24 September 2007. Application has been made for these 8,348,000 new Ordinary Shares to be admitted to trading on AIM and dealings are expected to commence on 28 September 2007. Following the issue of these 8,348,000 new Ordinary Shares the issued share capital of the Company is 264,512,929 Ordinary Shares.

A group of investors has agreed to subscribe for Tranche 2 of 43,137,206 Ordinary Shares, conditional on shareholder approval which will be sought at a General Meeting of the Company in Acton, ACT, Australia on 26 October 2007.

A further tranche of up to 4,514,794 Ordinary Shares, is expected to conclude shortly and a separate announcement will be made when the details are available. If all three tranches are successfully completed, the final outcome will result in a total raising of up to £1.4 million before expenses, via the issue of up to 56,000,000 new ordinary shares at the 2.5p per share placing price.

A circular containing a Notice of Meeting convening a General Meeting of the Company for the purpose of seeking the required shareholder approval has been posted to shareholders and will be available from the Company's web site today [www.seeingmachines.com](http://www.seeingmachines.com).

The proceeds of the placing will be used to commercialise the Company's products, including: the TrueField Analyzer ("TFA"), a medical device that helps clinicians diagnose glaucoma and other eye diseases, and has recently received FDA approval; the Driver State Sensor ("DSS") system, which monitors driver fatigue and distraction; and the faceAPI ("API"), a software library offering the Company's core technology to third party system developers on a licensing model.

A presentation by the Company provided to potential investors in the Placing is available from the Company's website at [www.seeingmachines.com](http://www.seeingmachines.com).

The Tranche 1 shares were issued to the Australian National University. Following the issue of these 8,348,000 new ordinary shares, the Company is aware of the following relevant changes in substantial/significant shareholdings as defined in the AIM Rules for Companies:

| Shareholder                     | To 23 September 2007 |                | 24 September 2007  |                |
|---------------------------------|----------------------|----------------|--------------------|----------------|
|                                 | No. of shares held   | % shareholding | No. of shares held | % shareholding |
| JATS Technology Pty Limited     | 85,594,176           | 33.41          | 85,594,176         | 32.36          |
| Australian National University  | 28,114,687           | 10.98          | 36,462,687         | 13.78          |
| Volvo Technological Development | 23,226,073           | 9.07           | 23,226,073         | 8.78           |

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**Notes to editors:**

**About Seeing Machines**

Seeing Machines is an award winning Technology Company which focuses on vision based human machine interfaces. Formed in 2000 in Canberra, Australia, Seeing Machines' purpose is to commercialise its computer-vision across a range of industries and applications.

Seeing Machines deliver advanced computer vision solutions for researchers and developers in human factors, transportation safety, computer human interaction, robotics, medical research and psychology. The flagship product faceLAB® provides an automated and contact-free gaze and head tracking technology, it solves the problem of observing human behaviour naturally, non-intrusively and with a high degree of accuracy and usability. Building on these unique face tracking and pupil measurement and monitoring capabilities, the TrueField Analyzer® is new medical device to assist clinicians detect and manage eye diseases such as glaucoma.

The TrueField Analyzer® offers a new objective method to help doctors diagnose and manage a range of eye diseases including glaucoma, age related macular degeneration and diabetic retinopathy. Glaucoma affects about 2-3% of the population over 40 years of age and is a leading source of blindness. Unlike most other devices available to the clinician the TrueField Analyzer is a completely objective test and it is quick and easy for patients and technicians alike. The device measures both eyes concurrently and due to the reliability that arises from the objective nature of the test, it has the potential to become a new standard in the measurement of visual field defects and thus in the diagnosis and management of disease such as glaucoma.

More generally Seeing Machines' computer vision systems are able to measure the orientation and position of a human head, estimate eye-gaze direction, detect eye blinks and track other facial features.

This functionality is achieved entirely through visual means, using video cameras connected to advanced image processing software, with no attachments required on the subject. Products such as faceLAB® are designed to allow human factors researchers and designers to assess the interaction of an operator in an environment and this finds application in designing operator environments, such as cockpits for cars, trucks, trains, and aeroplanes for instance, and other industrial design applications, as well as medical and psychological research situations. The technology has been developed into the Driver State Sensor (DSS2) product for application in monitoring vehicle drivers and if it detects drowsiness (fatigue) or that the driver is distracted and their attention has been diverted from the road, alarms are raised to alert the driver to these events. In larger deployments, such as in fleet and mining equipment operations, the data is available in both real-time and off-line modes for fleet management, driver training and awareness programs

The systems work in real-time, enabling the behaviour of subjects to be tracked in real-time. This technology is paving the way in promoting safer driving conditions and works to enhance the driving experience and to eliminate accidents caused through driver drowsiness or distraction.

There are many different sectors that can benefit from this revolutionary software, for which it has been developed, including: automotive; academic research; medicine/healthcare; defence; autostereoscopy (next generation displays); sport; and games.