

ASX RELEASE

Kleos Space signs channel partner agreement with specialist US defence company

- **Strong US interest in Kleos' data**
- **Targeting significant revenue generating US Air Force defence programme opportunities**

Luxembourg, 11th March 2019: Kleos Space S.A. (ASX: KSS, Frankfurt:KS1), Space powered Radio Frequency Reconnaissance data provider, has signed a Channel Partner Agreement with a newly created specialist US-based defence company Victoria Falls Technology LLC (Principal: Michael Kunkler), which allows procurement and integration of Kleos' radio frequency reconnaissance data into US defence programmes including those projects proposed to the US Air Force Small Business Innovation and Research (SBIR) programme.

Under the non-exclusive agreement, the US defence company will be able to procure and incorporate Kleos' Scouting Mission Data into their defence offering and as part of 'innovation and research project' proposals. The SBIR programme is designed to accelerate development and production of emerging technologies that can be utilised by the US Air Force. While the programme is restricted to US companies with a maximum of 500 employees, international corporations can partner with US companies as part of a team.

In the event of Kleos' Channel Partner's proposal being selected by the US Air Force the development work would commence in 2020 and be carried out over a 1-2 year period with a revenue generation opportunity for Kleos between US\$750,000 - US\$3 million. SBIR programme projects may lead to further long-term projects.

Andy Bowyer, CEO of Kleos Space said: *"As Kleos will be able to provide its customers with an unprecedented view of global maritime activity, we are very excited to have signed this Agreement with a Key US -based defence company and will work closely with them to ensure success. This Agreement highlights the benefit of our business model to provide commercially independent data for the defence and intelligence communities, allowing them to access an enhanced maritime security picture as well as verify existing anti-terrorism and crime monitoring datasets.*

Further, partnerships with trusted intelligence providers in key target markets , such as the US, is an important part of Kleos' long-term market strategy."

The multi-satellite system of the Kleos Scouting Mission will form the cornerstone of a constellation that delivers a global picture of hidden maritime activity, enhancing the intelligence capability of government and commercial entities when AIS (Automatic Identification System) is defeated, imagery unclear and targets out of patrol range.

Kleos' first revenue generating satellites are on track to be launched on a Rocket Lab Electron rocket from New Zealand by the end of the second quarter of 2019.

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About Kleos Space S.A.

Kleos Space S.A. (ASX: KSS) is a space enabled, activity-based intelligence, data as a service company based in Luxembourg. Kleos Space aims to guard borders, protect assets and save lives by delivering global activity-based intelligence and geolocation as a service. The first Kleos Space satellite system, known as Kleos Scouting Mission (KSM), will deliver commercially available data and perform as a technology demonstration. KSM will be the keystone for a later global high capacity constellation. The Scouting Mission will deliver targeted daily services with the full constellation delivering near-real-time global observation. For more information please visit: www.kleos.space.