

Department 13 Announces Sale with Exclusive South Korean Distributor

SYDNEY, NSW and COLUMBIA, MD USA – Department 13 International Limited (ASX:D13) a cutting-edge developer of counter drone technology, is pleased to announce the receipt of a purchase order from its exclusive South Korean distributor, Korea Counter Terrorism Systems ("**KCTS**").

The order for two MESMER[™] systems is to be delivered in the first half of 2019 and will be used for South Korean customers to protect critical assets and facilities against the ongoing threat of commercial drones. However, due to security considerations, end customer information and details of deployment remain confidential. The per system value of the units sold are in line with previously reported revenue targets for fully configured MESMER[™] systems.

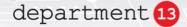
The sale follows in-field demonstrations of MESMER[™] at the LOTTE Tower in Seoul and the Government complex in Daejeon, with multiple companies and government personnel in attendance.

KCTS have indicated that it anticipates demand for Counter-UAS technology and MESMER[™] to continue to grow. South Korea has a highly concentrated urban population with over 25 million residents living in Seoul alone. With multiple terrorist attacks and national security concerns, coupled with a strong reputation for early adoption of new technology, the South Korean market represents a substantial opportunity for D13 and the MESMER[™] product.

Chairman of KCTS, Mr. Eui Kwon Yoon, commented "D13 provides the most comprehensive and complete solution for Detecting, Identifying and Mitigating drone threats for commercial and government entities. After very successful recent demonstrations to large government and commercial prospects, KCTS have placed initial orders for MESMER[™] systems. These are the beginning of what promises to be a significant and ongoing demand for South Korean clients to protect against the rapidly growing threats from commercial and custom-made drones."

Jonathan Hunter, Department 13's CEO offered "KCTS have quickly established themselves as a premier partner of D13. They have hosted five separate demonstrations of MESMER[™] to potential customers, across South Korea, over the past six-months, now resulting in initial MESMER[™] sales. Their pipeline of qualified opportunities, who have first-hand experience of MESMER[™]'s capability bodes well for future business. We look forward to supporting KCTS's initial customer deployments in early 2019."

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For more information, contact

Jonathan Hunter CEO Department 13 +1 703 597 6574 Jonathan@department13.com Sundeep Patel CFO Department 13 +1 410 989 5456 spatel@department13.com Investor relations Mark Wise Department 13 +1 914 261 5574 mwise@department13.com

About KCTS

KCTS is a leading distributor of defense and counter terrorism solutions in South Korea. Based in Seoul, the Company has a core focus on providing differentiated solutions and systems that are designed to protect national security and public safety within Korea. KCTS has developed a suite of products comprising radiation detectors, anti-drones, radioactive decontamination, exposure medicine, cyber terror hacking defense, ransomware defense, bulletproof glass and meteorological fields. KCTS and D13 entered into an exclusive distribution agreement in May of 2018.

About Department 13

Based in Maryland, Department 13 (D13) was founded in 2010 by a team of former military operators, scientists and engineers who apply proprietary innovative advanced technology to emerging requirements. D13 is developing cutting-edge software and communication systems that have the potential to transform the networking and communication fields as well as current applications in drone defense, mobile phone IT security and secure enhanced Android phone systems. D13 is engaged with multiple counter UAS projects to provide strategic solutions for civil, military and commercial security requirements. D13 has a substantial intellectual property portfolio covering wireless protocol manipulation and communications and networking, enhanced data bandwidth for all digital communications, cyber security for mobile devices and sophisticated RF technology applications (radiometrics). For more information about D13, please visit www.department13.com or follow us on Twitter (@D13ASX), LinkedIn and YouTube.