

ASX RELEASE

6 June 2019

~A\$3 Million Early Adopter Pre-Orders Signed

Highlights

- Initial Early Adopters able to generate ~A\$3 million¹ revenue over three years
- Pre-Orders signed with leading Defence and Security Contractors
- Further pre-orders expected before launch
- Early Adopters show confidence in Kleos approach to global security
- Revenue to flow post commissioning of Kleos' Scouting Mission² and successful conclusion of test phase

Kleos Space S.A. (ASX: KSS, Frankfurt: KS1), (**Kleos** or **Company**) a space-powered Radio Frequency Reconnaissance data provider, has concluded two early adopter pre-orders with leading international defence and security contractors with combined annual revenues in the order of A\$30 billion. These contracts open the path to revenues in the order of €1.8 million (~A\$3 million¹) over the first three years after commissioning of the four Kleos' Scouting Mission satellites. All revenues are subject to successful launch and data test phase.

The contracts are based on the Kleos fixed pricing model, which is applicable to each licensee; a pricing feature that has been well received by industry.

Kleos will start processed data delivery through its Guardian LOCATE Product.

Due to the increased monitoring capacity Guardian LOCATE will provide and the possibility that surveillance operations may be compromised; the Early Adopters have not been named.

With the first cluster of four satellites in orbit in August, Kleos will, on average, revisit most Areas of Interest (**AOI**) on a daily basis, for high latitude, polar, high value AOI, the revisit rate will be higher or several times a day. In 2020, with the planned further 2x clusters (12 nano-satellites total) in orbit, temporal coverage will increase significantly leading to an even higher value data product. Kleos goal is to field sufficient clusters to provide the desired access rate critical for monitoring global events or locations.

¹ Exchange rate conversions, RBA for relevant period.

² The multi-satellite Scouting Mission system will form the foundation 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 is unclear, or targets are out of patrol range. The first scouting mission is made up of 4x nano-satellites built by GomSpace in Denmark, each the size of a shoebox.

Kleos complete product range is:

- **Guardian LOCATE** – processed data delivering geo-located RF activity for further analytics within GEOINT and data fusion programs;
- **Guardian RF** – raw data from Kleos satellites suitable for customers with their own geo-location analysis / signals intelligence capability for government and military purposes; and
- **Guardian UDT** – user defined, customised data set allowing selection of specific areas of interest, ground station, level of security. and level of processing by the customer.

Milestones to Revenue – On Target

The following roadmap illustrates a number of steps to commence and manage expected revenue post launch of the Kleos' Scouting Mission satellites:

- ✓ Investor and media engagement
- ✓ International broker engagement
- ✓ Appointment of CFO
- ✓ Ground Station Service contract
- ✓ GEOINT19 conference
- ✓ Early adopter contracts
- Transport Satellite to Launch site
- Kleos' Scouting Mission satellites launch
- Large data volume contracts

Kleos CEO said "We have made tremendous inroads at the GEOINT Conference where we showcased Kleos and our technology offering to leading government and commercial defence customers. Further pre-orders and delivery contracts are expected as a result of our participation at GEOINT and before launch.

"Lighthouse customers will provide valuable feedback as we increase our constellation of satellites to provide almost real-time global coverage of RF activity by hidden maritime targets.

"Kleos revenues will increase as we refine our technology and rollout our full product range.

"The early adopters represent many end-users, each a possible further revenue source to Kleos as it rolls out its DaaS license model."

For further information, please contact:

Europe



Kleos Space S.A.

26, rue des Gaulois - L-1618
Luxembourg

P: +352 2088 2290

E: Andy.bowyer@kleosglobal.com

Australia



MMR Corporate Services Pty Ltd

Level 2, 131 Macquarie Street
Sydney, NSW 2000 Australia

P: +61 2 9251 7177

E: Kleos@mmrcorporate.com

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-realtime global observation – www.kleos.space.

For personal use only