

ASX RELEASE**6 March 2020****Brazilian Government Agency Data Pre-Order**

Kleos Space S.A. (ASX: KSS, Frankfurt: KS1,) (**Kleos** or **Company**), a space-powered Radio Frequency Reconnaissance data-as-a-service (DaaS) company, announces that the Brazilian Government agency Agência Nacional do Petróleo, Gás Natural e Biocombustíveis – ANP (www.anp.gov.br) is to evaluate Kleos data at no cost for three months commencing at the time the relevant data set is made available, after which the cost for continuation is subject to final licence negotiation (**Pre-Order**¹).

Information required under Section 4.15 of Guidance Note 8 are summarised in Appendix A below.

Speaking about the Pre-Order by a Brazilian Government agency, Kleos CEO, Andy Bowyer said, “This is Kleos first entrance into a South American Government agency. Kleos data will be instrumental in the fight against environmental crimes, explicitly demonstrating the case for Kleos data. Our satellites are now on site in India ready for the final stages of launcher integration, we look forward to working with our global customers very soon on their very real on-going challenges”.

Mr. Enrico Pedroso of the ANP who has 25 years of industry experience & Professor of Applied Remote Sensing at the Geology Faculty of Rio State University UERJ, speaking on the need for ANP to access Geolocated RF Data from Kleos Space:

“What is needed is a variety of earth observation datasets such as optical & SAR imagery, AIS data, meteorological and oceanographic data, etc. operating in an integrated manner which is where the kind of data Kleos will soon be delivering will be very useful to identify potentially illegal shipping activities and pin-point locations which should be investigated with the other earth observation data sets available. The fact that Brazil does not have an active high-performance earth observation system to monitor the ocean has played a major factor in preventing the government from finding the culprit(s) who cause pollution.”

Mr Pedroso continued, "The ANPs' Superintendence for Operational Security & Environment (SSM), is responsible for the monitoring of the environment in Brazil, especially as far as accidents and pollution are concerned. Recently there was a very serious incident off the North Atlantic coast of Brazil when major quantities of oil where found in the ocean and along the beautiful beaches of North Eastern Brazil most likely spilled by a single polluting ship. During recent weeks and as part of the Brazilian Contingency

¹ All references to a ‘Pre-Order’ should not be construed to be a contract with a customer that immediately becomes legally binding. Potential revenues from the pre-orders are subject to conditions such as a successful launch of the Kleos’ Scouting Mission, negotiation and are post a no cost data test phase of 3 months. Accordingly, revenues should flow subsequent to that period.

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Planning activities, ANP participated intensely, together with the Brazilian Navy and IBAMA (the Fauna & Flora protection agency of the Ministry of the Environment) in the search for the culprit(s).

The information from radio frequency activity on board ships navigating in Brazilian waters from Kleos Space would have been very useful had it been available at the time of the North-eastern Brazil events because it is very likely that the ship(s) that caused the pollution knew what they were doing and were therefore very careful to avoid scrutiny by switching off their AIS transmitters. Kleos' data would cause the Government's monitoring system to be much more efficient"

This announcement has been authorised by Andy Bowyer, CEO of Kleos Space S.A.

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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 – www.kleos.space.

About the ANP

The Brazilian National Agency of Petroleum, Natural Gas and Biofuels (in Portuguese: Agência Nacional do Petróleo, Gás Natural e Biocombustíveis - ANP) is the federal government agency linked to the Ministry of Mines and Energy responsible for the regulation of the oil & gas sector. The missions of ANP are the following:

- Establish the rules of the Oil & Gas Sector through ordinances, resolutions and normative instructions
- Promote bids and enter into contracts on behalf of the Union with concessionaires in activities of exploration, development and production of oil and natural gas, as well as transportation and storage of natural gas
- Ensure compliance with standards in the activities of regulated industries, directly or through agreements with other public bodies

Among many things ANP is also a very important reference centre for data and information on the oil & gas industry: it maintains the Exploration and Production Database (BDEP), promotes studies on the oil potential and the development of the sector; receives and makes discovery notifications public; disseminates official statistics on reserves and production in Brazil; conducts periodic research on the quality of fuels and lubricants, and on prices in the marketing of these products. This indeed is part of the mission of ANPs' Superintendence of Technical Data (SDT) which takes care of all the geological & geophysical data of Brazil and makes sure it is kept readily available for the industry.

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Appendix A

Name of the customer	Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (Brazil)
Term of the contract	The contract is at no cost for three months commencing at the time the relevant data set is made available, after which the cost for continuation is subject to final licence negotiation.
Nature of the products or services to be supplied to the customer	A licence to access data collected by Kleos Satellites and processed using Kleos algorithms to geolocate RF transmissions (such as Maritime VHF) provided via a API (Application Programming Interface). The licence will be provided for specific Areas of Interest and 'view only' i.e. restrict any resale or onward distribution.
Significance of the contract to the entity	The Company is building a portfolio of pre-orders that will commence generating material revenue for the Company either when data is available or after a period of assessment. The Company has a policy of informing shareholders on each addition to the portfolio. Sale of licences to access Kleos data is the principal source of revenue. As each pre-order is concluded, shareholders are able to assess the commercial traction the Company is achieving around the World, across a wide range of entities both commercial and Governmental and covering a variety of use cases.
Material conditions that need to be satisfied before the customer becomes legally bound to proceed with the contract	Satisfactory completion of the three-month trial (see footnote 1 and licence terms negotiation).
Other material information relevant to assessing the impact of the contract on the price or value of the entity's securities	See "Significance" above.

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