

## ASX RELEASE

04 October 2019

### South American Market Engagement Grows

#### Highlights

- South American pre-launch orders grow to three; recurring Annual revenues targeted to commence Q1 2020<sup>1</sup>
- Total South American potential revenues reach AUD\$1.5 million per annum for first cluster rising to AUD\$2.1 million incorporating second cluster
- Delivering maritime geolocation Data-as-a-Service in Latin America and the Caribbean

Kleos Space S.A. (ASX: KSS, Frankfurt: KS1), (**Kleos** or **Company**), a space-powered Radio Frequency Reconnaissance data-as-a-service (**DaaS**) company, advises that it has secured **two additional South American pre-orders**.

Kleos has secured pre-orders with leading Chilean, GEOCIENCIAS E.I.R.L and Brazilian HEX Geospatial Technologies.

The pre-orders for the Kleos' Scouting Mission<sup>2</sup> are priced at the Integrator level.

The pre-orders have been secured by Pierre Duquesne, Kleos South American Sales Representative, and come close on the heels of the original South American sale (KSS ASX Announcement: 17/09/2019).

Andy Bowyer, CEO of Kleos Space stated: "These additional sales into South America, demonstrate the global acceptance of the Kleos RF data solution.

"Pierre Duquesne continues to represent Kleos in the large and growing South American market."

According to The Corporacion Andina de Fomento (CAF), the Latin American Development bank, the outlook by 2040 for the maritime and port sector in Latin America and the Caribbean suggests an

#### Milestones to Revenue

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

<sup>1</sup> 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 are targeted to flow in 2020.

<sup>2</sup> 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.

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attractive environment for growth with planned investments of over 45 billion euros in the coming decade.

### Kleos Guardian LOCATE Fixed Pricing Model

Key Assumptions	Q1 2020	Q3 2020	Q2/Q3 2021
# Operational Clusters	1	2	5
Annual Revenues Per Licence AUD\$			
Single User	\$128,571	\$ 200,000	\$ 400,000
Integrator	\$485,714	\$ 728,571	\$ 1,457,143
Government	\$971,429	\$1,457,143	\$ 2,914,286

### Kleos data Products

- **Guardian RF** – raw data from Kleos satellites suitable for customers with their own geo-location analysis / signals intelligence capability
- **Guardian LOCATE** – processed data delivering geo-located RF activity for further analytics within GEOINT and data fusion programs
- **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

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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](http://www.kleos.space).

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### **About Geociencias E.I.R.L**

**Geociencias E.I.R.L** (<http://geociencias.cl/>) is a company dedicated to the development of Geomatics and Geosciences in general, offering innovative solutions with responsible and qualified professionals and strategic alliances with other national and foreign companies to support needs in the collection and processing of land data.

### **About HEX Geospatial Technologies**

**HEX Geospatial Technologies** (<http://www.hexgis.com>) provide services and products in various aspects of Geotechnologies, as well as continuously seeking the development of corporate solutions and complex projects through innovative, accurate, safe and open standards-based Geospatial Technologies. HEX is the official representative in Brazil and Latin America of solutions developed by XSkylab, a North American company focused on generating value information for governments and companies.

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