

KWESST Establishes ATAK Centre of Excellence in Ottawa

Incremental, near-term recurring revenue stream from support services

Ottawa, Ontario--(Newsfile Corp. - March 30, 2021) - KWESST Micro Systems Inc. (TSXV: KWE) (OTCQB: KWEMF) ("KWESST" or "the Company") today announced that it has established an *ATAK Centre of Excellence* in Ottawa. The centre will facilitate customer requirements for integration into the U.S. battlefield management application known as ATAK (Android Tactical Assault Kit).

ATAK is an Android geospatial and situational awareness system that provides users with a drop-down menu of approved operational applications for shared situational awareness. It is the pre-eminent system used by more than a dozen U.S. government agencies and many NATO allies and partner nations.

As mentioned in the Company's announcement of March 16th, 2021, KWESST was officially sponsored by U.S. military authorities to integrate certain of the Company's networked soldier applications into ATAK. In conjunction, the U.S. military provided KWESST with specialized software necessary for this work.

"Since then, we have received many requests from government agencies and defence contractors in Canada and overseas to assist them with integrating their current or new applications into ATAK and providing through-life support," said Jeff MacLeod, KWESST President and CEO. He added that, "We are already engaged with a number of customers and have many others in the queue. As a result we are ramping up a dedicated practice for this and leveraging our expertise in ATAK integration."

The Company stated that its *ATAK Centre of Excellence* is a natural extension of its core business around digitizing applications "at the tactical edge" for shared situational awareness and targeting. KWESST's other applications include its TASCs system and its related Integrated Fires Module (IFM) application, currently being delivered to a major U.S. military customer.

"Apart from the revenue potential, this further positions KWESST as a leader in the digitization of land forces at the tactical level, pushing critical information and high-value applications to the individual soldier on the ground and back up through the chain of command," said MacLeod. "This continues to be a key missing link in the modernization of soldier systems."

The Company added that digitization of land forces at the tactical level is happening now and happening everywhere. One market study⁽¹⁾ projects it to be worth more than \$15B CAD by 2024. "To our knowledge, KWESST is the only Canadian company with the credentials, official U.S. military sponsorship, specialized software and the experience to facilitate ATAK integration," said MacLeod.

The Company stated that its *ATAK Centre of Excellence* can assist government and industry clients with end-to-end ATAK application development, facilitate approval with U.S. ATAK authorities, and provide ongoing support. "We believe that this can contribute incrementally to our 2021 revenue plan, with recurring support revenue growth in out-years," concluded MacLeod.

(1) <https://www.marketsandmarkets.com/Market-Reports/soldier-system-market-137230260.html>

About KWESST

KWESST develops and commercializes high-value ultra-miniaturized technology applications that make

a critical difference to the safety and operational effectiveness of personnel in the defence and security industries. The company's current portfolio of unique proprietary offerings include: its signature TASCSTTM (Tactical Awareness and Situational Control System) for real-time awareness and targeting information from any source (including drones) streamed directly to users' smart devices and weapons; the autonomous GreyGhostTM soldier-portable micro drone missile system that defends against small hostile drones including swarms using high-speed kinetic impact; a Ground Laser Defence system to counter the emerging threat of weaponized lasers against personnel; and, the PhantomTM electronic battlefield decoy system to mask the electromagnetic signature of friendly forces with decoy signatures at false locations to deceive and confuse adversaries. All systems can operate stand-alone or integrate seamlessly with OEM products and battlefield management systems including Frontline, Edge, Killswitch and ATAK (Android Tactical Assault Kit) among others. KWESST also has developmental "smart ordnance" projects including its "Shot Counter" system, which records the number and type of rounds fired, for optimized firearms maintenance and performance. The Company is headquartered in Ottawa, Canada, with representative offices in Washington, DC, London, UK and Abu Dhabi, UAE. KWESST trades on the TSX Venture Exchange under the symbol KWE and on the U.S. OTCQB under the symbol KWEMF.

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For more information, please visit <https://kwesst.com/>

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This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the timing for the commencement of trading and the plans and operations of KWESST after giving effect to the Qualifying Transaction. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. KWESST disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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