



NEXT-GENERATION TACTICAL SYSTEMS

APRIL 2022 | INVESTOR PRESENTATION

TSXV: KWE
OTCQB: KWEMF

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Non-Reliance

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Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. This forward-looking information and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Certain assumptions in respect of our ability to execute our growth strategies; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to obtain and maintain existing financing on acceptable terms; currency exchange and interest rates; the impact of competition; the changes and trends in our industry or the global economy; and the changes in laws, rules, regulations, and global standards are material factors made in preparing forward-looking information and management's expectations.

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All forward-looking information in this presentation is made as of the date hereof. Except as expressly required by applicable law, we assume no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements.

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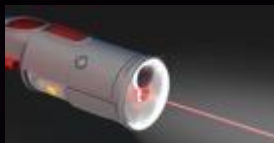
MISSION & MANAGEMENT

KWESST develops and commercializes proprietary next-generation technologies that deliver a tactical advantage for military, security forces, and personal defense.

C\$82.4* Billion Dollar World Market. Three Niche Segments. One company focused where it counts.

NON-LETHAL

Products for personal defense, public safety, & realistic training.



DIGITIZATION

Real-time situational awareness and targeting for ground forces.



COUNTER-THREAT

Protection against lasers, electronic detection and hostile drones.



KWESST HAS A TECHNOLOGY ADVANTAGE, DEEP EXPERIENCE, AND STRONG ENGAGEMENT WITH CUSTOMERS AND INDUSTRY PARTNERS

* *Allied Market Research*: Non-Lethal Weapons Market, June 2021
Markets and Markets, Soldier System Market, December 2019

Global Anti-Drone Systems Market, *Research & Markets* June 2021
Electronic Warfare: \$42.1 B, *Fortune Business Insights*, June 2021

**Jeff MacLeod**

Founder, President, CEO & Board Member

Jeff is a former Canadian RCEME officer and served as System Engineer for three major Army Crown Projects before moving to the private sector. For almost twenty years he was General Manager of Diemaco/Colt Canada. He is an expert in the Small Arms and Soldier Systems field as well as all aspects of manufacturing. He formed KWESST in 2017 to pursue opportunities in the networking and digitization of legacy and future weapons systems.

**David E. Luxton**

Executive Chairman

David is a recognized entrepreneur in the defense and security industry. He was an infantry officer and senior official with the Canadian and British governments before leading the global build-out of successive companies, including Simunition, world leader in simulated munitions for close quarters combat training. He led the build-out of Allen-Vanguard, which became a world leader in Counter-IED solutions, and he remained Chairman until Oct 2021. He is former Chairman and CEO of United Tactical Systems, a world leader in non-lethal munitions.



Steve Archambault
CFO

Mr. Archambault began his career as a CPA, CA, with Ernst & Young LLP, followed by senior finance positions at AXIS Capital, a global insurer and reinsurer, and more recently had CFO roles with small-cap public Canadian companies listed on the TSX Venture Exchange and Canadian Securities Exchange in media broadcasting technology and health and wellness industries.



Rick Bowes
VP of Operations

Prior to his various senior roles with defense contractors such as General Dynamics Canada, DRS Technologies Canada (now Leonardo DRS), ATCO Frontec and ADGA Group Inc., Rick had a distinguished career as a senior officer in the Canadian Army, retiring in 2003 as a Lieutenant Colonel. He is a graduate of Royal Military College of Canada and served in various operational and staff roles in the Canadian military and on secondment to the British Army.



Jeff Dunn
U.S. Market Development

Jeff has 35 years' experience in advanced technology for the defense industry. A former Marine Corps Harrier pilot, he holds an MBA and EDS from The George Washington University, a Master of Military Studies from MCU. He founded SageGuild which specializes in business development, rapid prototyping, and proof of concept initiatives for technology manufacturers. Jeff has also held senior positions in General Atomics and Artemis and received the DARPA "Sustained Excellence by a Government Agent" award.

NON-LETHAL

KWESST develops and commercializes proprietary *non-lethal* products for personal defense, public safety, and close quarters combat simulation.



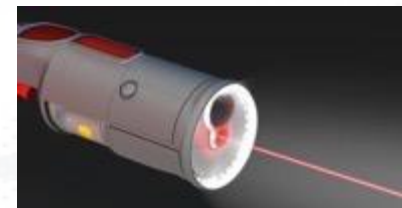
PARA OPS™

Non-lethal products for personal defense, public safety and close quarters combat simulation.

A next-generation replacement for most legacy systems on the market today

A patent pending, non-lethal low-energy cartridge-based system that fires from a dedicated device that can look like a **TV remote control**, a **flashlight** or a **replica firearm** depending on the mission.

Devices shoot only PARA OPS cartridges in three variants: solid polymer slug for practice or pain compliance, inert colored powder for force-on-force training, or a safe incapacitating pepper powder for operational use.



Preview launched at SHOT Show 2022, Jan 18-21, Las Vegas

PARA OPS™

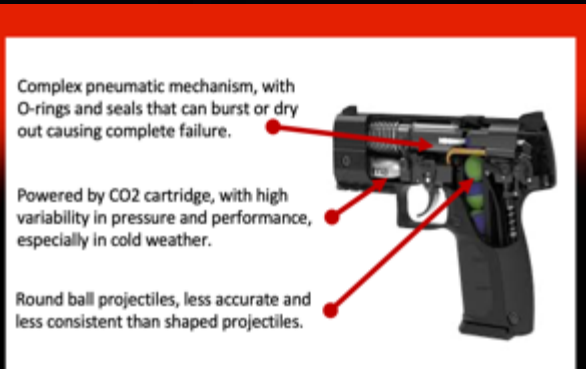
A replacement for dated legacy systems on the market today that are either high-energy and can be lethal or are air-gun based and often unreliable.

Legacy systems have major flaws

High-Energy Cartridge Systems = Fatalities



Air Guns = High Maintenance and Unreliability



PARA OPS™

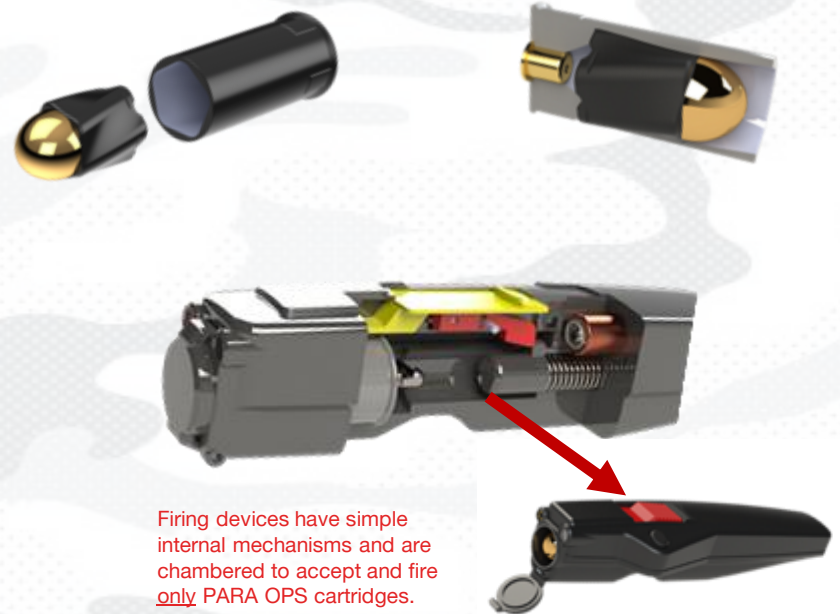
How it works and compares to high-energy cartridge systems and air guns

Low Energy Cartridge Case

- Low energy actuator disc in rear
- No gunpowder or compressed gas
- Specifically configured interior mates with projectile to generate self-stabilizing spin for accuracy and distance
- Simple manufacturing
- Calibrated actuator for approximately 12 joules of energy, well below the “lethal” threshold

Projectiles

- Injection molded polymer
- Pre-loaded into cartridge casings
- Three payload variants
 1. Solid slug for practice or pain compliance
 2. Inert colored powder for practice or realistic close quarters combat simulation
 3. Incapacitating irritant pepper powder for operational use



Firing devices have simple internal mechanisms and are chambered to accept and fire only PARA OPS cartridges.

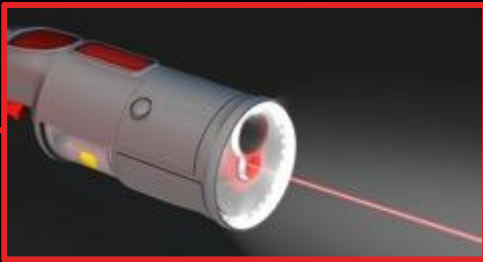


NON-LETHAL

PARA OPS™

Firing device launchers

Low-cost personal and professional series launchers in various patterns that fire only the PARA OPS cartridge



- Mini single-shot and five-shot flashlight for personal security
- High-capacity automatic pistols and carbines for non-lethal operations and force-on-force training

PARA OPS™

Brand Ambassador strategy

- Brandon Tatum is a quality example of one of our best brand ambassadors.
- Brandon specializes in public relations, social media outreach and trade.
- Brandon also manages the AMW public relations in New York.



Brandon Tatum – KWESST Advisor & Advocate

"PARA OPS is a potential game changer for law enforcement, and it adds to a family's ability to diversify home and personal defense.

As a former police officer, I understand the value of having a reliable non-lethal cartridge-based firing platform as an option on patrol, which also gives great flexibility during tactical developments.

I also recognize that there is a significant population in America that is looking for a tool that can keep them safe without having to resort to deadly force.

PARA OPS is a great solution for these objectives, and I am 100 percent behind this innovative strategy to make our world a safer and more responsible place."

- Brandon Tatum

"EVERYBODY GOES HOME ALIVE"™

PARA OPS™

Commercialization model – outsourced production plan

In House

Product development and demonstration samples.

Initial short-run production plan

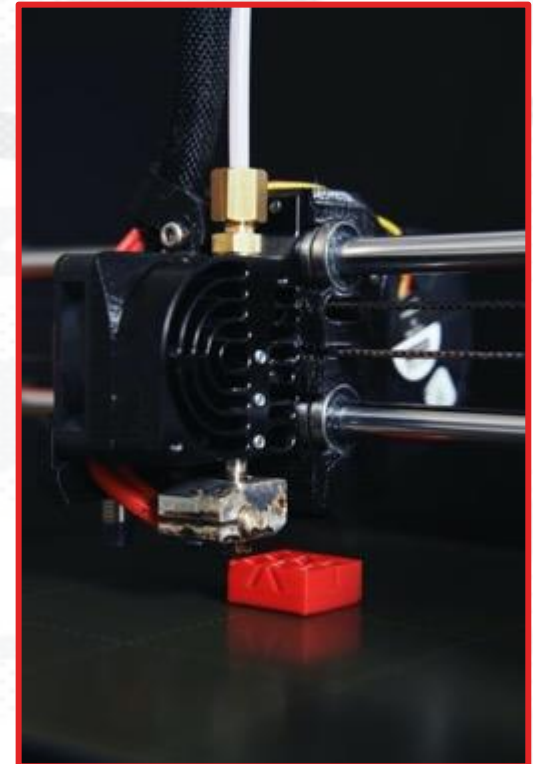
Launchers – planned manufacturing runs of up to 250/week for single shot launcher and 50/week for the five shot, employing additive manufacturing.

Cartridges – planned manufacturing runs of up to 10,000 casings and projectiles per week by U.S. industry partners.

Full-volume production plan

Launchers – planned injection molded runs of 25,000+ by U.S. manufacturing partner.

Cartridges – planned injection molded runs of 100,000+ by U.S. manufacturing partner.



PARA OPS™

Commercialization model – sales and order fulfillment plan

Law Enforcement and Security Market

Sales plan

- Direct to law enforcement and security e-Commerce module at para-ops.com by summer 2022.
- Law enforcement dealers and third-party e-Commerce sites.

Order Fulfillment plan

- Ramp-up pilot with established industry partners for U.S. market only.
- Order processing, warehousing, pick and pack, shipping.

Product Availability plan

- Single shot: Short runs – April 2022. Long runs – May/June 2022
- Five shot (law enforcement and security version): Short runs – May/June 2022. Long runs – July/Sept 2022



PARA OPS™

Commercialization model – sales and order fulfillment plan

Personal Defense Market

Sales

- e-Commerce module at para-ops.com by summer 2022.
- Specialized third-party e-Commerce sites for direct-to-consumer.

Order Fulfillment

- Ramp-up pilot with established industry partners.
- Order processing, warehousing, pick and pack, shipping.

Product Availability

- Single shot: Short runs – July/Aug 2022. Long runs – Sept/Oct 2022
- Five shot (civilian version): Short runs – July/Aug 2022. Long runs – Sept/Oct 2022.



PARA OPS™

2022 industrialization capacity plan for fiscal year ending 30th September

Ongoing Development (in-house)

Optimization

- Civilian 5-shot flashlight
- Police and security 5-shot flashlight

Development

- Automatic firing devices and cartridges

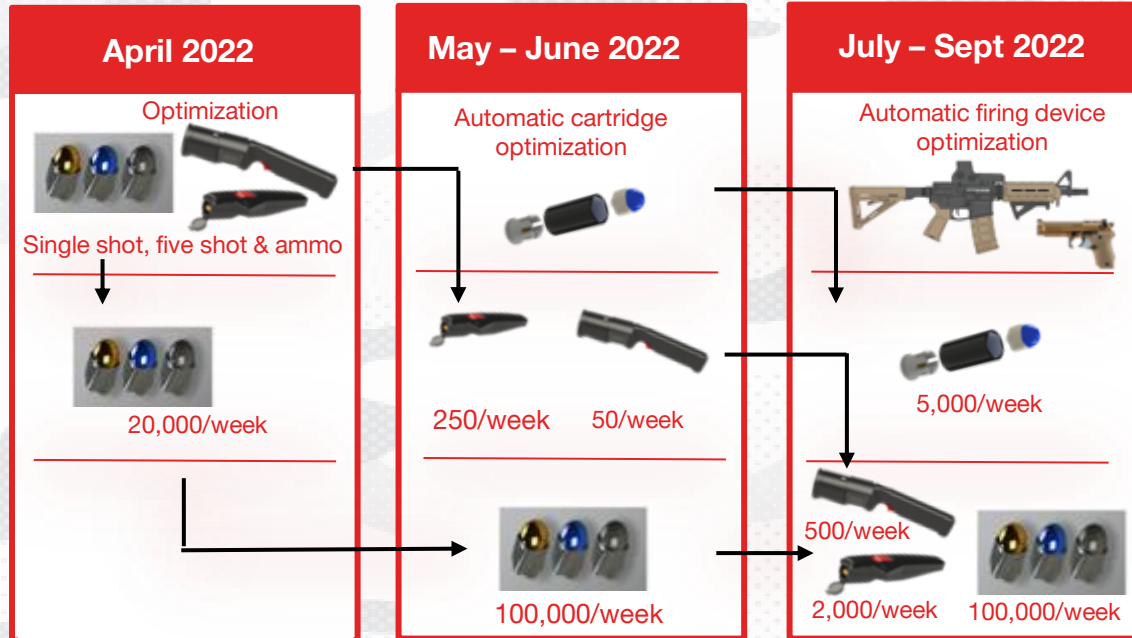
Production Capacity (outsourced)

Short run capacity

- Initial production for demonstration units and customer trials – capacity per shift

Volume production capacity

- Scalable, high quantities – capacity per shift





ARWEN™

Non-lethal product line

- Complementary acquisition, completed December 2021.
- Iconic brand with established yet underexploited customer base of law enforcement in North America and overseas.
- Used primarily for riot control and by police tactical teams during high-risk arrests against potentially *armed* violent persons vs. PARA OPS against *unarmed* aggressive persons.
 - Used e.g. in recent trucker protest, Ottawa, Canada.
- Outlier margins on cartridge sales.

Synergies

- Market synergies – immediate access to law enforcement market for PARA OPS.
- Technology synergies – PARA OPS can provide low-energy cartridge for ARWEN launchers.
- Cost synergies – combined facilities and engineering.

DIGITIZATION

KWESST develops and commercializes proprietary next-generation real-time situational awareness and targeting technologies for military and security forces.

Real-time situational awareness for military and security forces



Above:

KWESST's TASCs app on soldier's smart device.

Based on KWESST's proprietary MISST technology for ultra-miniaturization of integrated sensors & software.

A top priority for NATO is to modernize the soldier on the ground with a networked common operating picture to reduce combat casualties and enable greater operational effectiveness.

KWESST's signature product – its proprietary **“TASCs” technology – “Tactical And Situational Control System”** – an app that networks soldiers on the ground with each other through their smart devices to receive situational awareness information from any source including drones.

Based on KWESST's underlying **Multiple Integrated Sensors and Software Technology (“MISST”)** for proprietary ultra-miniaturization and integration of sensors and software.

Official partner of **SAMSUNG** for Android devices. TASCs also works on any other smart platform device.

Privileged position – **KWESST** is the only Canadian company to date sponsored by **US DoD** to integrate battlefield sensors and applications into the Tactical Awareness Kit (TAK), a battlefield management software system used by more than a dozen U.S. agencies and being adopted by other **NATO forces**.

TASCS targeting – *Integrated Fire Module (“IFM”)*



ManTech



Above: TASCS with snap-on plug-and-play mount. Networks soldier ground weapon systems for faster weapon deployment and coordinated targeting with unprecedented accuracy.

Example above: 81mm mortar.

Extends the TASCS app to “Joint Fires” on indirect fire weapons like mortars, grenade launchers, heavy machine guns, rocket launchers, artillery and more.

Converts these “dumb” legacy weapon systems to “smart” weapons without any modification to the weapon or ammunition.

No known equivalent today. Fits squarely with “Joint Fires” modernization programs in the U.S. and other NATO countries.

Existing contract with key U.S. military customer via teaming agreement with ManTech. C\$1M Extended User Evaluation successfully completed. Follow-on contracts expected, with other NATO proposals pending.

Integrates with Unmanned Aerial Vehicles (“UAVs” or drones).

Digitization Center of Excellence

Integration of TASCs and TASCs IFM into U.S. TAK battlefield management software for a major U.S. military customer led to requests from Tier 1 defense contractors and others to facilitate the integration of their systems into the new digital ecosystem for NATO customers. KWESST formalized a Digitization Center of Excellence in December 2021 to showcase its capability and train end users.

KWESST chosen by General Dynamics Mission Systems – Canada (GDMS-C) in Dec 2021 to help develop a showcase, next-generation digitized soldier system. KWESST expects contracts under this agreement to be approximately C\$1M in Fiscal 2022 and to grow into a significant long-term engagement.

Up to C\$7.8 B budgeted for future programs with Canadian Department of Defense to digitize soldiers. GDMS is the current program incumbent.

Proposals pending with national public safety agencies to roll out similar networked capability to provide first responders common situational awareness when responding to critical incidents.



GENERAL DYNAMICS
Mission Systems–Canada

*KWESST selected by
GDMS-Canada for
future soldier program*

COUNTER-THREAT

KWESST develops and commercializes proprietary next-generation Counter-Threat technologies that deliver a tactical advantage in Electromagnetic Spectrum Operations, or “EMSO”.

“Phantom™” miniaturized Electronic Warfare (“EW”) device

Instances in modern conflicts show that deployed forces must defend against detection of their electronic communications, or they can be easily located and annihilated, and have been.

Phantom™ includes the ability to emulate the electronic communications of any NATO country to spoof adversaries as to the location of NATO forces. It can also serve as a complete, miniaturized tactical Electronic Warfare appliance and as a training device for EW operators.

Phantom™ is a patented version of much larger vehicle-mounted EW systems. Its small size means it can be deployed at the tactical level by ground personnel or by drones in an area of operation or mounted on light tactical vehicles.

A high priority for the U.S. and other NATO forces in the context of modern combat operations at the tactical level.

In November 2021 General Dynamics Land Systems (GDLS) selected Phantom™ for a U.S. military vehicle program which could result in Phantom™ units on hundreds of vehicles under just this one program alone. Should GDLS be the successful bidder for the planned follow-on production program, and include the Phantom™, KWESST estimates the potential value of the Phantom™ units could be USD\$40 million or more, depending on the number of Phantom™ units per vehicle.

GDLS and other vehicle manufacturers also have armored vehicles programs with other customers in the U.S. and with other countries, which may lead to Phantom™ opportunities with vehicle programs for mobile versions around the world.

Electromagnetic Spectrum Operations, or “EMSO” has emerged as a domain of warfare in itself in modern conflicts. Electronic deception is key.

**Portable
Phantom™**



**Handheld
Phantom™**



Battlefield Laser Detection System (BLDS)

Defending against laser targeting and laser weapons



Personnel Worn Version



Squad Version



Vehicle Version



First NATO Country*

NATO is seeking a solution to the growing threat of lasers used to “paint” or “lase” ground personnel to target them for attack, or weaponized to cause direct injury to personnel from a high-energy laser beam itself.

KWESST’s proprietary BLDS product suite now completed and ready for customer sales, with first orders anticipated from a NATO country in fiscal 2022.

No known equivalent. Three product variants: a small personnel-worn detector that alerts soldiers that laser targeting designators or weapons are present; a squad version that detects and locates the source of the laser; and, a round, omni-directional vehicle-mounted version that detects and locates lasers during mobile operations.

Networks ground forces using TASCs and integrates with ATAK, TAK or any battlefield management application software.

“GhostNet™”

Counter-measure against hostile drones including loitering munitions

Hostile small drones continue to be a growing worldwide problem for military forces and domestic targets*.

Larger versions are now being deployed as powerful, even decisive weapon as “loitering munitions” that can hover for hours waiting for a designated target.

Most counter-drone systems are electronic, designed to detect, identify, track and, if possible, disrupt the communications protocols of drones to prevent completion of their mission.

Increasingly, however, drones are being developed by adversaries that are difficult or impossible to disrupt electronically. Military and Homeland Security agencies are therefore seeking the additional option of stopping drones kinetically but without collateral damage. In the U.S. the lead agency is the U.S. Army Joint Counter Small UAS Office, or the “JCO”.

KWESST, working with Alare Technologies in the U.S., has established the technical feasibility of a kinetic system to neutralize small UAS *and* loitering munitions without collateral damage. Details remain confidential for security and competitive reasons at the present time.

* *Global Anti-Drone Systems Market*, Research & Markets June 2021

 A rectangular stamp with the word "CLASSIFIED" in bold, black, sans-serif capital letters, tilted slightly upwards to the right.

GhostNet™

Under development with Alare for
JCO submission in Spring 2022



HIGHLIGHTS

KWESST develops and commercializes proprietary next-generation technologies that deliver a tactical advantage for military and security forces, and personal defense.

Electronic Warfare Market & Drivers

Global Market Size

C \$ 48.9 B
by 2028 ⁽¹⁾

Global CAGR

5.24%

Market Drivers

The vast, growing & evolving threat from:

- Lasers
- Electronic Detection
- Hostile drones

KWESST Advantage

- Proprietary and patented technologies with no known equivalent today
- Strategic partnerships with Tier 1 defense contractors like General Dynamics

MANUFACTURING

Internal development of technologies and demonstration samples.

Outsourced production to a ready supply chain of proven vendors.

GO-TO MARKET

Direct engagement with marquee customers to seed KWESST products, which then attracts OEMs.

Customer demonstrations, marketing at major trade shows.

OEM partnerships with major defense contractors to pull through KWESST solutions into their programs globally.

RESEARCH
& DEVELOPMENT 

GENERAL
DYNAMICS
Land Systems

GENERAL DYNAMICS
Mission Systems-Canada

AV

ManTech

Proprietary Technologies



Addressing niche high growth + value defense & security market on a global scale.

Accomplished Board & Management



Long-standing customer & industry relationships.

Diversified



Products, markets & customers, with many ways to win.

Top-Tier Industry Partners



With more partnerships in progress.

Outsourced Scalable Model



With operating leverage as business scales.

CAPITALIZATION TABLE	As of 3/18/22
Common Shares Outstanding	51,204,343
Options (WAEP \$1.38)	4,575,975
Warrants (WAEP \$0.79)	13,310,256
Restricted stock and performance stock units	1,451,474
TOTAL	70,542,048

Thank You

Contact

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