



KWESST RELEASES VIDEO CLIP OF LOW ENERGY CARTRIDGE PRODUCT IN ACTION

July 13th, 2021 – Ottawa – KWESST Micro Systems Inc. (TSXV: KWE and OTCQB: KWEMF) (“KWESST” or “the Company”) today released its first public video demonstrating the Company’s non-lethal Low Energy Cartridge (LEC) product in action. KWESST expects to release additional footage in the coming weeks. The video is available on KWESST’s Youtube channel at <https://www.youtube.com/watch?v=a22sm6OE5c4>.

Jeff MacLeod, Founder, CEO and President of KWESST, stated that, “The video clip released today was taken when we successfully completed our first public live demonstration of the LEC system to a group of investors in the Whistler, British Columbia area last Friday. As announced yesterday, the official commercial launch of the Low Energy Cartridge system is planned for January 18 to 22, 2022 in Las Vegas at the SHOT Show[®]. The SHOT Show[®] is the largest trade show of its kind for buyers and suppliers in the “*Shooting Hunting and Outdoor Trade*” (SHOT) and has evolved over the years to include exhibitors and buyers across the tactical, personal defence and high-action gaming communities. It is *the* annual event for commercial buyers and distributors to see what is new and to place orders.”

While the LEC has application in multiple markets, KWESST is initially prioritizing the global self-defence and the public order and security markets, where there exist ready channel partners, including large e-marketplaces for tactical products and sophisticated social media campaigns, hence avoiding the expense and time to build out an internal sales force. These markets represent near-term opportunities with short selling cycles. The Company stated that it is pursuing an accelerated path to market in view of the significant component of business the LEC product line is expected to contribute to revenue growth, and because of the readiness and receptiveness of the market for a breakthrough in non-lethal solutions.

About the non-lethal market and the Low Energy Cartridge System

The market for non-lethal products is a recurring multi-billion-dollar opportunity. Customers continue to seek better solutions as many legacy systems can be lethal, and frequently are unreliable. Thousands of fatalities have been recorded from existing cartridge-based systems, including conducted energy devices such as Taser. Other legacy products that are “less” lethal typically fire from air guns, which are inherently unreliable as they are affected by ambient temperature and involve high-maintenance including as a result of air seals and “O” rings drying out and bursting, causing catastrophic failures. Air-based systems also entail a long logistics tail of compressors, air tanks and spare parts.

The LEC systems solves these problems with the proven reliability of a cartridge-based system in a low-cost firing platform that fires only LEC cartridges. The firing platforms are offered in various patterns that replicate the look of a real firearm, or avoid the appearance of a firearm altogether, at the user’s choice.

The proprietary LEC cartridge automatically stabilizes the projectile for accuracy and distance, with an energetic actuator that controls velocity and muzzle energy well below lethal levels, and with no need for gunpowder or conventional propellant. The system's soft frangible projectiles come with various payloads, including coloured marking agent, inert powder or a safe but powerful irritant powder that temporarily incapacitates subjects.

About KWESST

KWESST develops and commercializes breakthrough next-generation tactical systems that meet the requirements of security forces and personal defense for overmatch capability against adversaries. The company's current portfolio of unique proprietary offerings include: its signature TASCST[™] (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 GreyGhost[™] 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 Phantom[™] 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 all versions of the ATAK Tactical Awareness. 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, and a unique non-lethal Low Energy Cartridge (LEC) system with application across all segments of the non-lethal market. 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.

Contact: Jason Frame, Investor Relations: frame@kwest.com

For more information, please visit <https://kwest.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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