



Keastone

24 APR 2020

Team Keastone,

We've made great progress over the last forty-five days as a team by adapting to the "new normal" for working together remotely/virtually. We're now into sprint #5 and an IRIIS Lean Static Prototype is on track for delivery in the next ten days. This is challenging work in normal times, and exceptional in difficult times. THANK YOU for staying steady and focused on moving us forward!

The financial sacrifices we all committed to forty-five days ago have been worth it. Our quick and decisive actions made a very positive impression on our stakeholders. It told them that this team is not just "doing a job" but is committed to our collective success. Talk is cheap, but when people put their pay at risk, there's no doubt about their commitment or intent. I have enormous appreciation and respect for how every member of this team has reacted to this situation. When I award Keastone, Inc. stock options, members of this team will forever be treated special for taking the material risk to hold hands (*virtually*) and collectively push through the challenges created by the pandemic crisis.

Over the last forty-five days, our amount of cash-out equaled the amount of cash-in. This means we have been able to maintain our ninety-day cash runway position from forty-five days ago. It would have been better to have extended the runway, but given the severity of the overall situation, to preserve our cash position is actually an impressive accomplishment by ANY measure! Given all the repositioning with our stakeholders and potential new investors over the last thirty days, I think we have high odds of actually starting to extend our cash runway in the month of MAY.

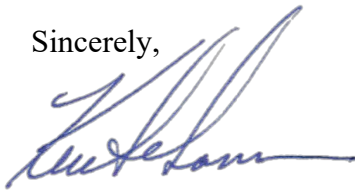
After much discussion with the Leadership Team, it was agreed that we should maintain a conservative position and keep the compensation payout next week at 30% of normal. As stated last month, if you have a particular hardship and need to request an exception, please communicate the request to the member of the LT to whom you report, and it will be considered and responded to ASAP.

The pandemic crisis has exponentially increased the potential impact an all-in-one product like IRIIS could have on the market/industry. Embedded user behavior is being disrupted like never before. This opens doors for IRIIS that would have otherwise been very difficult to open. We need to accelerate the delivery of IRIIS to take advantage of this unique opportunity. To accelerate we need more resources sooner. Our key stakeholders clearly see this and are using it to get the attention of some of the primary tech investors in the industry. We have historically steered clear of this type of investor because they tend to be expensive and controlling. But given the uniqueness of the current climate, there could be a win-win relationship. As these options evolve and mature, I will update you. This would not be a replacement for our current Series-B investor group. This would be an additional source of investment capital for the purpose of trying to dramatically accelerate our delivery timeline.

Again, thank you for staying steady and focused as we navigate our way through a very challenging time. If you need/want to discuss any of this directly with me, please don't hesitate to just ping me on WhatsApp and I'm happy to jump onto a call. Take care and stay safe.

ONWARD!

Sincerely,



Keith Adams
CEO, Keastone