



Keastone

26 JUL 2020

To: Team Keastone
Re: Update

Hello, Team Keastone

As communicated via my whatsapp update to the team after the broker meeting last Thursday, we are turning a corner that will get us back on track to cashflow stability. The primary reason for this improvement is an infusion of potential new investors into our Series-B investment group. One of the brokers in particular brought new clients to the Keastone table who get and understand what we're attempting to do with IRIIS. When she was able to show them the team member profiles and share the sacrifice the team has made over the last five months, two of the investors immediately moved to a very definitive disposition about investing in Keastone. Why? Because in their words, it was a significant validation of the IRIIS vision and product concept. Simply put, they said people with your profiles would not join an early stage venture, much less agree to a 70% compensation deferral for five months unless you really saw something of value in IRIIS/Keastone. I was super happy when this was communicated to me. It speaks to the tech investment maturity of these investors. Early stage ventures require a very particular sort of investor. Pre-product, pre-revenue is not easy in terms of value/risk assessment. (Same goes for working in one as well!) I look forward to evolving the relationship with them over the next few weeks. These would be large investors. In the 500k USD range each.

With the renewed momentum of the capital sourcing campaign, Jeff and I, along with the broker group, agreed to the following:

1) Compensation payout tomorrow, 27 JUL, will be at 30%. *(This capital is personally coming from our two primary brokers, Ondra and Pavel. This is a gesture of their high confidence in the renewed funding momentum.)*

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2) The remaining 70% of the 27 JUL compensation will be paid in the next 2-3 weeks as funding begins to flow.

3) From AUG onward, compensation payouts will be at 100%. (Come hell or high water!)

4) Upon receipt of the next large investment (>500k USD), we will set a plan for repayment of the accrued deferred compensation.

5) As the new investor leads are qualified over the next few weeks, we will generate a new budget and cashflow forecast that will allow us to start scaling the team to accelerate the delivery of IRIIS.

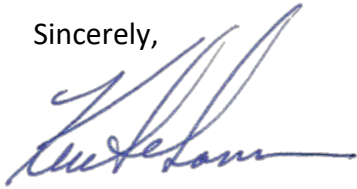
The most difficult period from a cash management perspective will be the next thirty days as this new momentum begins. The brokers, Jeff and I are 100% focused on executing the commitments above.

From a product delivery standpoint, we will be doing a lot of resetting as a team this week. I will be very blunt in terms of my assessment of where we are and what I perceive the primary challenge to be; there is a deficiency in strong leadership at the product delivery level. This is not a surprise, and we at the leadership level foresaw this challenge coming. We are a strong overall leadership team, but we do not have a singular role primarily/strongly driving product delivery. To renew the excitement and momentum of delivering IRIIS, we MUST address this challenge asap. I do not see a singular member of the current team taking-on this role. We are each very good in our current roles, but it isn't a clean fit for any one of us to singularly take the reins on driving product delivery. We believe the answer is for PLT to become the singular, clear and credible driver of product delivery. To date, PLT has been more about ensuring "awareness" of what was happening in design, engineering and the business in general. PLT has to now migrate from "reporting the news" to defining and driving how we're holistically delivering product. This is an opportunity for ALL of us to assert ourselves and affect how we reset the delivery of IRIIS. We are a team of less than twenty individuals. We can redefine what we're doing at a moment's notice and execute. We just need to remind ourselves that this flexibility and direct individual influence is the beauty of being in an early stage venture and DO IT!! ;-) I invite and encourage EACH of you to be fully engaged in this reset this week. Don't be a spectator. Assert yourself and affect this challenge!

We are entering a new phase at Keastone. I feel it. No matter what obstacles come our way, we WILL keep reinventing ourselves and overcoming them. Why are we so determined? Because we know the power of what we're working-on both in terms of impact and financial reward. WE OWN THIS!

Onward!

Sincerely,

A handwritten signature in blue ink, appearing to read 'Keith Adams', with a stylized, flowing script.

Keith Adams
Keastone CEO