

June 24, 2024



Airship AI Announces Maturity Date Extension Amendment to Senior Secured Convertible Note

REDMOND, Wash., June 24, 2024 (GLOBE NEWSWIRE) -- Airship AI Holdings, Inc. (NASDAQ: AISP) ("Airship AI" or the "Company"), a leader in AI-driven video, sensor, and data management surveillance solutions, today announced that it entered into an Extension Agreement with Platinum Capital Partners Inc. ("Platinum") related to an Amended and Restated Senior Secured Convertible Promissory Note "Note" in the principal amount of \$2,000,000, extending the due date of the Note issued to Platinum from June 22, 2024 to June 22, 2025.

The Company issued 232,360 of the Company's restricted common Stock in payment of all interest and extension fees through June 22, 2025. Subject to the terms and conditions of this Agreement, for a period commencing on December 22, 2024 and ending at the close of business on December 22, 2025, Platinum has a one-time put right to have the Company purchase all or a portion of Platinum 232,360 restricted shares at \$2.27518 per share. The Company entered into piggyback registration rights with Platinum.

At the option of Platinum, the \$2,000,000 principal amount of the Note is convertible into shares of the Company's common at a conversion price per share equal to the lower of (i) \$3.69717, subject to appropriate adjustment as provided in the Note, and (ii) 65% of the VWAP for the common stock for the preceding five trading days immediately prior to any conversion, but in no event below \$2.27518, subject to appropriate adjustment as provided in the Note. The Note contains "weighted average" anti-dilution protection for issuances of shares of common stock or common stock equivalents at a price less than the conversion price then in effect. The \$2,000,000 principal amount of the Note is registered on Form S-1.

The obligations under the Note are secured by a blanket lien on all assets of the Company pursuant to an Amended and Restated Security Agreement dated February 2, 2024 and are guaranteed pursuant to an Amended and Restated Guaranty dated February 2, 2024 and the Company also concurrently entered into an Amended and Restated Subordination Agreement.

About Airship AI Holdings, Inc.

Founded in 2006, Airship AI is a U.S. owned and operated technology company headquartered in Redmond, Washington. Airship AI is an AI-driven video, sensor and data management surveillance platform that improves public safety and operational efficiency for public sector and commercial customers by providing predictive analysis of events before

they occur and meaningful intelligence to decision makers. Airship AI's product suite includes Outpost AI edge hardware and software offerings, Acropolis enterprise management software stack, and Command family of visualization tools. For more information, visit <https://airship.ai>.

Forward-Looking Statements

The disclosure herein includes certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "project," "forecast," "predict," "potential," "seem," "seek," "future," "outlook," and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward looking. These forward-looking statements include, but are not limited to, (1) statements regarding estimates and forecasts of financial, performance and operational metrics and projections of market opportunity; (2) changes in the market for Airship AI's services and technology, expansion plans and opportunities; (3) the projected technological developments of Airship AI; and (4) current and future potential commercial and customer relationships. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of Airship AI's management and are not predictions of actual performance. These forward-looking statements are also subject to a number of risks and uncertainties, as set forth in the section entitled "Risk Factors" in its Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on April 1, 2024, and the other documents that the Company has filed, or will file, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. In addition, forward looking statements reflect the Company's expectations, plans or forecasts of future events and views as of the date of this press release. The Company anticipates that subsequent events and developments will cause its assessments to change. However, while it may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's assessments as of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

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Source: Airship AI