Momentus Announces Settlement of Class Action Lawsuit

February 23, 2023

SAN JOSE, Calif.--(BUSINESS WIRE)--Feb. 23, 2023-- Momentus Inc. (NASDAQ: MNTS) ("Momentus" or the "Company"), a U.S. commercial space company that offers transportation and other in-space infrastructure services, has reached an agreement in principle to settle the consolidated securities class action lawsuits against the Company and certain of its current and former directors and former officers pending in the United States District Court for the Central District of California captioned "In Re Stable Road Acquisition Corp. Securities Litigation, Master File No. 2:21-cv-05744" (the “Securities Class Actions”).

On February 10, 2023, the lead plaintiff in the Securities Class Actions and the Company reached an agreement in principle to settle the Securities Class Actions for payment of $8.5 million, at least $4 million of which is expected to be funded by insurance proceeds. The agreement in principle remains subject to the satisfaction of various conditions, including negotiation and execution of a memorandum of understanding, final stipulation of settlement, notice to the proposed class, and approval by the United States District Court for the Central District of California.

Earlier today, Momentus also announced a $10 million investment. The infusion of capital combined with the retirement of legacy challenges from the period before Momentus became a public company in August 2021, enables the Company to focus on future growth. The Company has also taken other recent steps to extend its cash runway.

Momentus has a Share Repurchase Agreement for a final payment to the two founders of the Company of $10 million. The founders were divested from the Company in January 2021 due to U.S. Government foreign ownership concerns and the Company previously paid $40 million for this purpose. The $10 million investment, which is equivalent to the total specified in the Share Repurchase Agreement (SRA), will provide capital to the Company to meet the obligations in the SRA.

“Retirement of these issues clears the way for Momentus to continue progress on its vision to provide backbone infrastructure services for the growing space economy. We’re eager to support customers in the commercial sector and civil and military government users like NASA and the U.S. Defense Department to use space in more dynamic and impactful ways,” said Momentus Chief Executive Officer John Rood. “A key part of our service offerings is our innovative Microwave Electrothermal Thruster (MET) that uses water as a propellant to power our spacecraft, which we plan to demonstrate on our Vigoride-5 mission that is currently in orbit. We continue to make progress completing the commissioning of the Vigoride-5 spacecraft, which is in good health with nominal power and thermal conditions and maintaining regular communications with our ground controllers.”

“We’re glad to be closing this chapter, and excited as we continue to make important progress in the demonstration of our technology in space,” said Rood. “The space economy continues to develop, and Momentus plans to play a leading role in enabling the growth and evolution of this vibrant part of the global economy.”

About Momentus

Momentus is a U.S. commercial space company that offers in-space infrastructure services, including in-space transportation, hosted payloads and in-orbit services. Momentus believes it can make new ways of operating in space possible with its in-space transfer and service vehicles that will be powered by an innovative water plasma-based propulsion system that is under development.

Forward-Looking Statements

This press release contains certain statements which may constitute “forward-looking statements” for purposes of the federal securities laws. Forward-looking statements include, but are not limited to, statements regarding Momentus or its management team’s expectations, hopes, beliefs, intentions or strategies regarding the future, projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, and are not guarantees of future performance. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of Momentus’ control. Many factors could cause actual future events to differ materially from the forward-looking statements in this press release, including but not limited to risks and uncertainties included under the heading “Risk Factors” in the Annual Report on Form 10-K filed by the Company on March 9, 2022, as such factors may be updated from time to time in our other filings with the Securities and Exchange Commission (the "SEC"), accessible on the SEC’s website at www.sec.gov and the Investor Relations section of our website at investors.momentus.space. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and, except as required by law, the Company assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

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