

27 September 2016

ASX Code: SAS

Operations Update – Frequency Approval and Progress towards Launch

Highlights

- SAS has received formal approval from the United Kingdom's Ministry of Defence (MOD) for the use of the MOD's UHF frequency, representing substantial technical validation of the Company's narrowband communications platform offering
- Construction of the Company's 3 initial nano-satellites "3 Diamonds" is on track to commence during October at GomSpace, following the recent completion of the Critical Design Review
- Formal tender documentation has been issued to major international aerospace contractors for the construction of SAS's full constellation of up to 200 nano-satellites
- Discussions continuing with potential commercial customers and strategic industry partners
- The Company recently attended World Satellite Business Week in Paris, and has been invited to participate in the "Reinventing Space", "Space Mission 3" and "Satellite Finance Network" prestigious industry events, which only highly disruptive companies are invited to attend
- Successful PSLV Rocket launch on 26 September 2016 by the ISRO, the same launch vehicle SAS will be using for the launch of its "3 Diamonds" nano-satellites in Q2 2017

Sky and Space Global Ltd (ASX: **SAS**, "**Sky and Space Global**" or the "**Company**") is pleased to update shareholders' on a number of key operational areas the Company has continued to advance ahead of the "3 Diamonds" commercial demonstration launch in Q2 2017.

UK Ministry of Defence – frequency registration approved

Further to the announcement on 11 July 2016 regarding the Company's frequency registration process with the International Telecommunications Union (ITU), Sky and Space Global has received approval from the United Kingdom's Ministry of Defence's (MOD) to use its UHF frequencies for the command and telemetry of the Company's 3 commercial demonstration nano-satellites, the "3 Diamonds". The Company has been approved by the MOD to use the frequency until the end of 2019, with the possibility to extend this initial timeframe.

Such approvals from the UK Ministry of Defence are rarely granted and it follows successful completion of the MOD's rigorous due diligence and certification process. The approval represents further strong validation of the technical credibility of the Company's offering and in recognition of the stature of the Company's management team within the aerospace industry.

"3 Diamonds" construction to commence in October

Sky and Space Global is pleased to confirm that following the completion of the Critical Design Review as announced on 8 September 2016, the Company's construction partner GomSpace is on track to commence construction of the "3 Diamonds" commercial demonstration nano-satellites during October 2016.

Full assembly of the nano-satellites is expected to be complete by the end of December 2016, allowing the Company to commence further testing and validation ahead of launch in Q2 2017.

“3 Diamonds” launch timing confirmed – Q2 2017, Successful PSLV launch

Once the Company's testing process is completed, the “3 Diamonds” will be designated as “Ready to Launch” by February 2017. As previously announced, Sky and Space Global has a reserved launch slot aboard the ISRO's Polar Satellite Launch Vehicle (PSLV) in Q2 2017 for launch of its “3 Diamonds” commercial demonstration nano-satellites.

The ISRO announced that its PSLV completed a successful launch on 26 September 2016, launching 8 satellites into different orbits. The PSLV is the same launch vehicle that Sky and Space Global will be using for the launch of its initial “3 Diamonds” nano-satellites in Q2 2017. SAS congratulates the ISRO on the mission's success.

Tender for full constellation construction underway

Sky and Space Global has commenced a formal tender process for the construction of the Company's full constellation of up to 200 nano-satellites. The tender has been issued to a number of major international aerospace contractors and the Company will update the market during the year regarding the status of the tender process.

The Company plans to launch its full Equatorial constellation of up to 200 nano-satellites from mid-2018, following a successful commercial demonstration of its “3 Diamonds” nano-satellites in Q2 2017.

Participation at International Aerospace Industry events

The Company recently attended World Satellite Business Week in Paris, the aerospace industry's premier annual event, and has been invited to participate in three prestigious upcoming events, representing the substantial disruptive potential of Sky and Space Global's technology:

- (1) **Reinventing Space, London:** Scheduled for late October, Reinventing Space is a European conference designed to present breakthroughs in the space industry. SAS was invited to talk about its innovative nano-satellite operational concepts.
- (2) **Space Mission 3:** Scheduled for the first week of November, is an exclusive US roadshow organised by “Innovate UK” to allow UK space companies direct access to US venture capital and private equity firms.
- (3) **Satellite Finance Network, London:** Scheduled for mid-November, the Satellite Finance Network is a dedicated pitch event to the financial community in the UK and Europe. SAS was chosen as one of the most promising new space companies.



Image: Sky and Space team with Virgin Galactic executives in front of the LauncherOne model at the World Satellite Business Week conference in Paris

Sky and Space Global's CEO, Mr. Meir Moalem said:

"The past few months have been very busy for Sky and Space Global as we rapidly progress towards our initial launch. Gaining approval to use the UK Ministry of Defence's UHF frequency is a big achievement and provides further substantial validation of our Company as approval is rarely given and only given following an extremely rigorous due diligence process.

"We are also pleased with the ISRO's successful launch of 8 satellites from its PSLV on 26 September 2016. This is the same launch vehicle that SAS will be using to launch its initial 3 nano-satellites in 2017 and we congratulate the ISRO on the successful rocket launch. We look forward to the launch of our "3 Diamonds" nano-satellites on the ISRO's PSLV in Q2 2017."

Sky and Space Global's CTO, Mr. Meidad Pariente said:

"In the past 6 weeks we have attended the World Satellite Business Week in Paris and also at the San Francisco – Satellite Finance Conference. We have also been invited to a number of upcoming conferences where we look forward to presenting our Company's innovative and disruptive concepts.

"Our technology and our business vision were very well received at these events and we look forward to continuing to strengthen our profile in the space industry as we progress our Company towards our launch and commercialisation."

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About Sky and Space Global Ltd

World Experts and Highly Disruptive Business Plan

Sky and Space Global Ltd owns 100% of Sky and Space Global (UK) Limited, a UK incorporated company with European and Israeli centres of Aerospace, Satellite and Software Industry Experts, plans to deploy nano-satellites constellations in orbit to provide global communication infrastructure and services to the telecommunications and international transport industries.

The Company is now fully funded beyond the Q2 2017 launch of its “3 Diamonds” commercial demonstration network with the Indian Space Research Organization, following the completion of the Company's recent oversubscribed \$4.5 million fund raising.

The core Sky and Space Global business is to construct a communications infrastructure based on nano-satellite technology and develop the highly complex and sophisticated software systems that will deploy, maintain orbit control and handle communication code between each of the nano-satellites to give a global coverage.

Sky and Space Global aims to provide low cost, nano-satellite communication coverage on an anywhere to everywhere base with relatively low maintenance costs. Due to the experience and expertise of the founders in the aerospace industry, the business will be able to develop with inherent upgrading capabilities within short intervals, utilising their unique IP-nanosat software protocols.