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The Manager  
Market Announcements Platform  
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## **JOINT VENTURE TO DEVELOP UNIQUE SATELLITE MESSAGING & SOS DEVICE**

### **Highlights:**

- **Beam signs JV Agreement for global launch of device for new product category**
- **The low-cost mobile satellite solution is aimed at three large and fast-growing markets**
- **JV partner Roadpost Inc. is a leading satellite solutions retailer with 45,000 subscribers in the US and Canada**
- **Forecast double-digit CAGR growth in global Messaging and Safety markets**
- **JV anticipated to increase Beam's recurring revenues and profitability from FY21**

**Beam Communications Holdings Limited** (ASX: BCC) is pleased to announce an agreement with North American-based Roadpost Inc. to develop and, in Q2FY20, launch a mobile satellite messaging device that is aimed at untapped but large and fast-growing markets.

The new terminal, trademarked 'ZOLEO', will utilise the upgraded Iridium satellite network and provide seamless global coverage for people that live, work or play outside cellular coverage, or in an emergency situation when cellular service can be impaired.

The highly compact device, which can easily be carried by a person, or on a vehicle, bike, or boat, allows users to send and receive messages, receive weather data and generate an SOS alert.

The partnership enables Beam to leverage its expertise in design and manufacturing, and Roadpost's 28-year track record in selling cellular and satellite solutions to the North American markets is expected to be invaluable to the success of this venture.

### **Market Opportunities**

The ZOLEO device and service is aimed at three key markets – Adventure Tourism, Rural Residents and Lone Worker.

The global Adventure Tourism market is forecast to grow at 17.4% pa from 2017 to 2023, to reach US\$1.3 trillion annually, according to a 2018 report by Allied Market Research, and Asia Pacific is the fastest growing region.

There is also a growing domestic traveller market, including caravaners, that will benefit from the extremely cost effective ZOLEO offering.

Those living in rural communities will benefit from ZOLEO as they often travel in and out of cellular coverage. This represents a significant opportunity for ZOLEO as close to half of the world's population live outside metropolitan cities.

The Lone Worker Safety market in Europe and North America is forecast to double in size to €260 million in 2022, according to analyst firm Berg Insight.

The market in Asia Pacific is also predicted to grow strongly due to companies increasingly deploying lone workers to lift productivity, tightening safety regulations and rising employee insurance costs.

The new solution is anticipated to grow Beam's recurring income stream significantly from FY21. The new product and service offering is in the final stages of development and more details will be announced to the market prior to launch.

### **Details of the ZOLEO JV**

The new product will be brought to market through a 50-50 owned joint venture (JV) entity, Zoleo Inc., with Beam owning the intellectual property (IP) for the device. Operating expenses will be shared equally with Roadpost.

Under the JV Agreement now agreed and executed, Beam will have distribution rights in the Asia Pacific market, while Roadpost will have a similar arrangement for North America. Both companies will jointly develop and share all other geographic markets to the benefit of the JV company, and therefore, its shareholders.

Roadpost has agreed to provide Beam with an interest-free loan of up to US\$600,000 to assist in Beam's funding of the JV start-up costs. The loan is repayable by Beam at any time and at Beam's sole discretion.

"The ZOLEO device will be competitively priced and satellite data plans will be of a cost similar to, if not lower than, most mobile phone plans in Australia," said Beam's Managing Director, Michael Capocchi.

"The new offering will introduce a potentially large and loyal customer base to Beam and it can significantly increase our recurring revenue stream."

The chief executive of Roadpost, Morris Shawn, added:

"Our customers have increasingly been asking for an affordable device that will seamlessly work with smartphones. There isn't anything in the market like ZOLEO and we believe there is a ready global appetite for this innovative and ground breaking product.

"We are delighted to partner with Beam as its expertise building quality devices will ensure the best possible hardware product that will run on the world's leading satellite network."

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### **About Beam Communications Holdings Limited**

Beam Communications Holdings Limited (formerly World Reach Limited) is an Australian publicly-listed company that specialises in the design, development, manufacture and distribution of satellite, cellular and dual-mode equipment, applications and services. Its products and services are adopted by some of the world's largest satellite and telecommunications companies, such as Iridium, Telstra, KDDI, Inmarsat & Thuraya, to fill the global needs of Information Communication & Technology markets. Beam Communications Holdings Limited owns 100% of Beam Communications Pty Ltd and SatPhone Shop Pty Ltd [www.satphoneshop.com](http://www.satphoneshop.com). For more information, visit [www.beamcommunications.com](http://www.beamcommunications.com).

### **About Roadpost Inc.**

Incorporated in 1991, Roadpost is a foremost provider of mobile satellite equipment and voice and data services from industry leaders including Iridium, Inmarsat and Garmin. More than 45,000 subscribers trust Roadpost to equip them with the most reliable and innovative communications solutions available, from private and public sector organizations that need to connect and protect employees at work, to outdoor enthusiasts who travel the backcountry. Based in Toronto (Canada) with an office in Seattle (USA), Roadpost distributes its products directly and through its extensive network of authorized dealers throughout North America. Roadpost is a registered trademark of Roadpost Inc. For more information visit [www.roadpost.ca](http://www.roadpost.ca).