

# SKY AND SPACE COMPANY LTD

## ACN 117 770 475

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## PROSPECTUS

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For offers of:

- (a) up to 24,125,050 Options, comprising offers of:
  - (i) up to 8,591,750 Options exercisable at \$0.31 each on or before the date that is three years from the date of re-quotations of the Company's Shares on the Official List (**Re-Quotation Date**);
  - (ii) up to 7,000,000 Options exercisable at \$0.40 each on or before the date that is three years from the date of issue;
  - (iii) up to 5,380,800 Options exercisable at \$0.25 each on or before the date that is three years from the Re-Quotation Date;
  - (iv) up to 2,400,000 Options exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date; and
  - (v) up to 752,500 Options exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date,(together, the **Options Offers**);
- (b) up to 4,750,000 Performance Rights to the Directors (or their nominee(s)) (**Performance Rights Offer**); and
- (c) up to 10,000 Shares at an issue price of \$0.20 per Share to raise up to \$2,000 (**Cleansing Offer**).

### IMPORTANT NOTICE

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

The Securities offered by this Prospectus should be considered as highly speculative.

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## IMPORTANT NOTICE

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This Prospectus is dated 4 March 2021 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities offered by this Prospectus should be considered as highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be made by an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus and is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Representations contained in this Prospectus are made taking into account that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters are publicly available information or may reasonably be expected to be known to investors and professional advisers whom prospective investors may consult.

### No Investment Advice

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs

(including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Securities under this Prospectus to determine whether it meets your objectives, financial situation and needs.

### Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 5.

### Overseas shareholders

The Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or The Offers are not being extended and Securities will not be issued to

Shareholders with a registered address which is outside Australia.

For further information on overseas Shareholders please refer to Section 2.11.

### Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Please refer to Section 6.2 for further details.

### Electronic Prospectus

A copy of this Prospectus can be downloaded from the website of the Company at [www.skyandspace.co](http://www.skyandspace.co). If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the

complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on +61 8 6556 2400 during office hours or by emailing the Company at info@sasglobal.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

#### **Company Website**

No documents or other information available on the Company's website is incorporated into this Prospectus by reference.

#### **Financial forecasts**

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

#### **Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will apply to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Securities issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in

the Company during the preceding month.

#### **Photographs and Diagrams**

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

#### **Definitions and Time**

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 8.

All references to time in this Prospectus are references to Australian Western Standard Time.

#### **Privacy statement**

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

#### **Use of Trademarks**

This Prospectus includes the Company's registered and unregistered trademarks.

All other trademarks, tradenames and service marks appearing in this Prospectus are the property of their respective owners.

#### **Enquiries**

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offers or how to accept the Offers please call the Company Secretary on +61 8 6556 2400.

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## CORPORATE DIRECTORY

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### Directors

Xavier Kris  
*Executive Chairman*

Stephen Gorenstein  
*Non-Executive Director*

Silvio Salom  
*Non-Executive Director*

### Company Secretary

Ian Pamensky

### Registered Office

c/o Hall Chadwick Corporate Pty Ltd  
283 Rokeby Road  
SUBIACO WA 6008

Telephone: + 61 8 9426 0666  
Facsimile: +61 8 9481 1947

Email: [info@skyandspace.co](mailto:info@skyandspace.co)  
Website: [www.skyandspace.co](http://www.skyandspace.co)

### Auditor\*

Moore Australia Audit (WA)  
Level 15  
Exchange Tower  
2 The Esplanade  
PERTH WA 6000

### Share Registry\*

Computershare Investor Services Pty Limited  
Level 11  
172 St Georges Terrace  
PERTH WA 6000

Telephone: 1300 850 505 (within Australia)  
+61 3 9415 4000 (outside Australia)  
Facsimile: +61 3 9473 2500

### Legal Advisers

Steinepreis Paganin  
Lawyers and Consultants  
Level 4  
The Read Buildings  
16 Milligan Street  
PERTH WA 6000

\*These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

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## 1. KEY OFFER INFORMATION

### 1.1 Timetable<sup>1</sup>

Lodgement of Prospectus with the ASIC	4 March 2021
Lodgement of Prospectus and Appendix 3B with ASX	4 March 2021
Opening Date of the Offers	5 March 2021
Closing Date of the Offers	12 March 2021
Issue of Options under the Options Offer and Performance Rights under the Performance Rights Offer	15 March 2021

**Note:**

1. The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are WST. The Company reserves the right to extend the Closing Dates or close the Offers early without prior notice.

### 1.2 Background to the Offers

Sky and Space Global Limited (**SAS or Company**) is a satellite company regulated by the UK Space Agency with significant aerospace, satellite, spectrum and software industry assets and expertise. Now recapitalised, the Company will seek to fast-track the commercialisation of its technology and will actively pursue lucrative space sector opportunities – leveraging its nanosatellite technology and the expertise of its space-proven software engineering team.

The Company's Shares were suspended on 8 April 2019 and have remained in suspension since that time. Over the remainder of 2019 and early 2020, SAS attempted to raise capital to recapitalise the business and resume trading. Despite these attempts, the Board resolved to appoint Mr Richard Albarran, Mr Cameron Shaw and Mr Richard Lawrence of Hall Chadwick (**Administrators**) as joint and several administrators of the Company on 6 April 2020.

Following the placement of the Company into administration, Laika Capital Partners Pty Ltd presented the Administrators with a proposal to restructure and recapitalise the Company through a deed of company arrangement.

At a second meeting of creditors held on 30 June 2020, creditors resolved in favour of the deed of company arrangement proposed by Laika Capital Partners (**DOCA**). The Company and the Administrators executed the DOCA (and associated documents) and it came into effect on 4 August 2020. A proposed amendment to the DOCA was sent to creditors on 2 November 2020 and approved by creditors on 17 November 2020.

On 27 January 2021, the Company held a Shareholder meeting to seek the approvals required to effectuate the DOCA and recapitalise the Company (**Annual General Meeting**).

At the Annual General Meeting, the Company obtained Shareholder approval to, amongst other things, to issue Securities to various parties in connection with the DOCA and the capital raising conducted by the Company. These issues are detailed in the table below.

As announced on 26 February 2021, the Company has also completed a placement to sophisticated and professional investors to raise approximately \$600,000 (before costs) through the issue of 3,010,000 Shares (**February Placement Shares**) at an issue price of \$0.20 per Share (**February Placement**). Participants in

the February Placement will also receive one Option for every four Shares subscribed for and issued, exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date (**February Placement Options**). The February Placement Options will be offered pursuant to this Prospectus.

Security Issues	Shares	Options	Convertible Notes	Performance Rights
<b>Securities on issue as at the date of this Prospectus</b>				
Securities on issue at the date of the Annual General Meeting	898,315	147,443	-	-
Shares issued to Unit Trust	20,712,000	-	-	-
Shares upon conversion of Seed Convertible Loans	3,333,333	-	-	-
Initial Capital Raising	34,367,000	-	-	-
Administrator Shares	1,000,000	-	-	-
Creditor Convertible Notes	-	-	995,625	-
Virgin Settlement Securities	11,000,000	-	-	-
Director Shares	335,670	-	-	-
Employee Shares	43,890	-	-	-
February Placement Shares	3,010,000	-	-	-
<b>Total Securities on issue as at the date of this Prospectus</b>	<b>74,700,208</b>	<b>147,443</b>	<b>995,625</b>	<b>-</b>
<b>Securities to be offered under this Prospectus</b>				
Initial Capital Raising	-	8,591,750	-	-
Virgin Settlement Securities	-	7,000,000	-	-
Broker and Corporate Options	-	5,380,800	-	-
Additional Options	-	2,400,000	-	-
Director Performance Rights	-	-	-	4,750,000
February Placement Options	-	752,500	-	-
<b>Total Securities to be offered under this Prospectus</b>	<b>-</b>	<b>24,125,050</b>	<b>-</b>	<b>4,750,000</b>
<b>Securities which the Company obtained Shareholder approval to issue at the Annual General Meeting</b>				
Subsequent Capital Raising	18,000,000	-	-	-

Security Issues	Shares	Options	Convertible Notes	Performance Rights
Underwriting Options	-	2,500,000	-	-
<b>Total Securities which the Company obtained Shareholder approval to issue</b>	<b>18,000,000</b>	<b>2,500,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>92,700,208</b>	<b>26,772,493</b>	<b>995,625</b>	<b>4,750,000</b>

Further information in respect of these issues is set out in the notice of annual general meeting released on the Company's ASX platform on 29 December 2020 (**Notice of Meeting**) and the ASX announcement released on 26 February 2021.

On 28 January 2021, the Company announced effectuation of the DOCA to recapitalise and relaunch its business and the change of the Company's name to Sky and Space Company Ltd.

As at the date of this Prospectus, ASX has not confirmed that the Company's securities will be granted reinstatement to the Official List following the issue of the Securities the subject of this Prospectus. ASX has advised the Company that it is not prepared to grant approval for reinstatement at this time.

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## 2. DETAILS OF THE OFFERS

### 2.1 The Cleansing Offer

The Cleansing Offer is an offer of up to 10,000 Shares at an issue price of \$0.20 per Share, to raise up to \$2,000 (before expenses). The Cleansing Offer will only be extended to specific parties on invitation from the Directors. Application Forms in respect of the Cleansing Offer will only be provided by the Company to these parties.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 4.1 for further information regarding the rights and liabilities attaching to the Shares.

### 2.2 Options Offers

This Prospectus also includes offers of up to 24,125,050 Options as set out in the table below.

Options Offer	Terms of Options Offer	Participants
<b>Initial Capital Raising Options Offer</b>	Up to 8,591,750 Options, exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date ( <b>Initial Capital Raising Options</b> )	Participants in the Initial Capital Raising
<b>Virgin Options Offer</b>	7,000,000 Options, exercisable at \$0.40 each on or before the date that is three years from the date of issue ( <b>Virgin Options</b> )	Virgin Orbit LLC (or its nominees)
<b>Broker and Corporate Options Offer</b>	Up to 5,380,800 Options exercisable at \$0.25 each on or before the date that is three years from the Re-Quotation Date ( <b>Broker and Corporate Options</b> )	CPS Capital Group Pty Ltd (or its nominees)
<b>Additional Options Offer</b>	Up to 2,400,000 Options exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date ( <b>Additional Options</b> )	Premia Private Wealth Pty Ltd, Chieftain Securities Pty Ltd and Antsorm Consulting Pty Ltd (or their nominees)
<b>February Placement Options Offer</b>	Up to 752,500 Options exercisable at \$0.31 each on or before the three years from the Re-Quotation Date	Participants in the February Placement

The terms and conditions of these Options are set out in Section 4.2.

The Company will not apply for quotation of the Options to be issued under the Option Offers.

Only the parties noted in the table above may accept the Option Offers. A personalised Application Form in relation to the relevant Option Offer will be issued to the parties noted in the table above, together with a copy of this Prospectus.

### 2.3 Performance Rights Offer

This Prospectus includes an offer of up to 4,750,000 Performance Rights to be issued to the Directors (or their nominees) (**Performance Rights Offer**).

The terms and conditions of the Performance Rights are set out in Section 4.3.

Only the Directors (or their nominees) may accept the Performance Rights Offer. A personalised Application Form in relation to the Performance Rights Offer will be issued to the Directors together with a copy of this Prospectus.

## **2.4 Purpose of the Offers**

### Purpose of the Cleansing Offer

The primary purpose of the Cleansing Offer is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Cleansing Offer (including prior to the date of this Prospectus). Accordingly, the Company is seeking to raise only a nominal amount of \$2,000 under the Cleansing Offer as the purpose of the Cleansing Offer is not to raise capital.

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
- (b) either:
  - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
  - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

### Purpose of the Option Offers and the Performance Rights Offer

The Options Offers and the Performance Rights Offer are being made such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Options and Performance Rights are issued with disclosure under this Prospectus then the Shares issued upon the exercise of any of the Options and conversion of any Performance Rights can be on-sold within 12 months of their issue, without a disclosure document for the on-sale offer.

## **2.5 Opening and Closing Date of the Offers**

The Opening Date of the Offers will be 5 March 2021 and the Closing Date for the Offers will be 12 March 2021. The Directors reserve the right to close the Offers early or extend the Closing Dates (as the case may be), should it be considered necessary to do so.

## **2.6 Minimum subscription**

There is no minimum subscription to the Offers.

## **2.7 Not underwritten**

The Offers are not underwritten.

## **2.8 Lead Manager**

There is no lead manager for the Offers under this Prospectus.

## **2.9 ASX listing**

The Company will not apply for Official Quotation of the Options or the Performance Rights issued pursuant to this Prospectus.

## **2.10 Issue of Securities**

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at Section 1.

Holding statements for Securities issued under the Offers will be mailed as soon as practicable after the issue of Securities.

## **2.11 Overseas shareholders**

This Offers do not, and are not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. In particular, this document may not be distributed to any person and the Securities may not be offered or sold in any country outside Australia.

### 3. PURPOSE AND EFFECT OF THE OFFERS

#### 3.1 Purpose and Effect of the Offers

The primary purposes of the Offers are summarised in Section 2.4.

The principal effect of the Offers, assuming all Securities offered under this Prospectus are issued and no other Securities are issued, exercised or converted, will be to:

- (a) increase the number of Options on issue from 147,443 Options as at the date of this Prospectus to 24,272,493 Options following completion of the Offers;
- (b) increase the number of Performance Rights on issue from nil Performance Rights as at the date of this Prospectus to 4,750,000 Performance Rights following completion of the Offers; and
- (c) remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date of the Cleansing Offer (including prior to the date of this Prospectus).

Accordingly, no funds will be raised (assuming that no Shares are issued under the Cleansing Offer).

#### 3.2 Effect on capital structure

The effect of the Offers on the capital structure of the Company is set out below.

	Shares	Options	Performance Rights	Convertible Notes
Securities currently on issue	74,700,208	147,443 <sup>4</sup>	Nil	995,625
Securities offered pursuant to the Offers	Nil <sup>2</sup>	24,125,050 <sup>5</sup>	4,750,000 <sup>6</sup>	Nil
<b>Total Securities on issue after completion of the Offers<sup>3</sup></b>	<b>74,700,208</b>	<b>24,272,493</b>	<b>4,750,000</b>	<b>995,625</b>

#### Notes:

1. Includes an aggregate of 70,791,893 Shares which were issued prior to lodgement of this Prospectus in accordance with Shareholder approval obtained at the Annual General Meeting and 3,010,000 Shares which were issued to participants in the February Placement on 1 March 2021. Further information in respect of these issues is set out in the Notice of Meeting.
2. Assumes no Shares are issued under the Cleansing Offer.
3. As set out in the Notice of Meeting, the Company has also obtained Shareholder approval to issue:
  - (a) up to 18,000,00 Shares at an issue price of \$0.25 per Share to participants in a capital raising (**Subsequent Capital Raising**); and
  - (b) up to 2,500,000 Options exercisable at \$0.40 each on or before the date that is three years from the Re-Quotation Date (**Underwriter Options**). The Underwriter Options will be issued to CPS Capital Group Pty Ltd (ACN 088 055 636) (or its nominees) on the basis of one Option for every \$1 underwritten in the Subsequent Capital Raising.
4. Comprising 117,725 Quoted Options (ASX: SASOC) exercisable at \$140 each on or before 21 May 2022 and 29,718 Quoted Options (ASX:SASOD) exercisable at \$42 each on or before 31 May 2021.

5. Comprising:
  - (a) up to 8,591,750 Initial Capital Raising Options, exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date;
  - (b) up to 7,000,000 Virgin Options, exercisable at \$0.40 each on or before the date that is three years from the date of issue;
  - (c) up to 5,380,800 Broker Options and Corporate Options exercisable at \$0.25 each on or before the date that is three years from the Re-Quotation Date;
  - (d) up to 2,400,000 Additional Options exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date; and
  - (e) up to 752,500 February Placement Options exercisable at \$0.31 each on or before the date that is three years from the Re-Quotation Date.

The terms and conditions of these Options are set out in Section 4.2.

6. Comprising 1,750,000 Class A Performance Rights, 1,500,000 Class B Performance Rights and 1,500,000 Class C Performance Rights. The terms and conditions of the Performance Rights are set out in Section 4.3.
7. Comprising 305,006 Convertible Notes held by CSS Alpha Global Pte Ltd and 690,619 Convertible Notes held by Telefox Ltd. The terms and conditions of the Convertible Notes are set out in the Notice of Meeting.

### 3.3 Details of Substantial Holders

Based on available information as at the date of this Prospectus, those persons which (together with their associates) the Company understands to have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Laika Capital Partners Pty Ltd	20,712,000	27.73
Virgin Orbit LLC	11,000,000	14.73
Tiga Trading Pty Ltd	7,500,000	10.04

### 3.4 Pro-forma balance sheet

The reviewed balance sheet as at 31 December 2020 and the unaudited pro-forma balance sheet as at 31 December 2020 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming no Options or convertible securities are exercised and including expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Reviewed Half-Year Report 31-Dec 2020	Pro-Forma (Pre-Offers)	Pro-Forma (Post-Offers)
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	374,702	160,706	4,750,644
Other receivables	301,283	301,283	332,180
<b>TOTAL CURRENT ASSETS</b>	<b>675,985</b>	<b>461,989</b>	<b>5,082,824</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	75,047	75,047	5,263,158
Right of Use Asset	328,245	328,245	328,245
Intangible assets	-	-	-
Investment in subsidiaries	-	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>403,292</b>	<b>403,292</b>	<b>5,591,403</b>
<b>TOTAL ASSETS</b>	<b>1,079,277</b>	<b>865,281</b>	<b>10,674,227</b>
<b>CURRENT LIABILITIES</b>			-
Trade and other payables (CL)	6,117,836	6,117,836	4,612,154
Interest-bearing loans and borrowings	2,929,011	2,946,239	1,105,464
Current tax liabilities	81,200	81,200	81,200
Employee benefits	44,801	44,801	43,597
Lease liability - CL	160,871	160,871	160,871
<b>TOTAL CURRENT LIABILITIES</b>	<b>9,333,719</b>	<b>9,350,947</b>	<b>6,003,286</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables (NCL)	3,000,000	3,000,000	3,000,000
Lease liability - NCL	565,832	565,832	565,832
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>3,565,832</b>	<b>3,565,832</b>	<b>3,565,832</b>
<b>TOTAL LIABILITIES</b>	<b>12,899,551</b>	<b>12,916,779</b>	<b>9,569,118</b>
<b>NET ASSETS</b>	<b>(11,820,274)</b>	<b>(12,051,498)</b>	<b>1,105,109</b>
<b>EQUITY</b>			
Contributed equity	62,597,080	62,597,080	71,579,577
Other equity	450,000	450,000	450,000
Share based payment reserve	-	-	-
Foreign currency translation reserve	572,539	572,539	572,539
Accumulated losses	(75,472,588)	(75,703,812)	(71,529,702)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>(11,852,969)</b>	<b>(12,084,193)</b>	<b>1,072,414</b>
Non-controlling interest	32,695	32,695	32,695
<b>TOTAL EQUITY</b>	<b>(11,820,274)</b>	<b>(12,051,498)</b>	<b>1,105,109</b>

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## **4. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES**

### **4.1 Rights and liabilities attaching to Shares**

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

#### **(a) General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

#### **(b) Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

#### **(c) Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the

Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 4.2 Terms of Options

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option is set out in the table below (**Exercise Price**).

Options	Exercise Price
Initial Capital Raising Options	\$0.31
Virgin Options	\$0.40
Broker and Corporate Options	\$0.25
Additional Options	\$0.31
February Placement Options	\$0.31

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on or before the date set out in the table below (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

Options	Expiry Date
Initial Capital Raising Options	The date that is three years from the Re-Quotation Date.
Virgin Options	The date that is three years from the date of issue.
Broker and Corporate Options	The date that is three years from the Re-Quotation Date.

Options	Expiry Date
Additional Options	The date that is three years from the Re-Quotation Date.
February Placement Options	The date that is three years from the Re-Quotation Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

#### **4.3 Terms and Conditions of Performance Rights**

(a) **Milestones**

The Performance Rights will have the following milestones attached to them:

(i) **Class A Performance Rights**

The completion of the Company's recapitalisation and the reinstatement to trading of the Company's Shares on ASX within 12 months of the date of issue.

(ii) **Class B Performance Rights**

The Company achieving US\$2 million in revenue between the date of reinstatement to trading of the Company's Shares on ASX and the date that is five years from the date of issue.

(iii) **Class C Performance Rights**

The Company achieving US\$10 million in revenue between the date of reinstatement to trading of the Company's Shares on ASX and the date that is five years from the date of issue.

(each a **Milestone**).

For the avoidance of doubt, the calculation of revenue for the Class B Performance Rights and the Class C Performance Rights will be based on revenue recognised and measured in accordance with AASB 15 Revenue From Contracts with Customers (as amended or replaced from time to time) and will exclude:

- (i) other income including but not limited to gains, finance income, rebates and grants; and
- (ii) revenue that has been manufactured to achieve the performance milestone.

(b) **Vesting Deadline**

Each of the Performance Rights shall lapse on the date that is five years from the date of issue (**Vesting Deadline**). If the relevant Milestone attached to a class of Performance Rights has not been achieved by the relevant Vesting Deadline, then the relevant Performance Rights will automatically lapse. For the avoidance of doubt, a Performance Right will not lapse in the event the relevant Milestone is met before the relevant Vesting Deadline and the Shares the subject of a conversion are deferred in accordance with paragraph (p) below.

(c) **Notification to holder**

The Company shall notify the holder in writing when the relevant Milestone has been satisfied.

(d) **Conversion**

Subject to paragraph (p), upon vesting, each Performance Right will, at the election of the holder, convert into one Share.

(e) **Lapsing Otherwise**

If the holder (or the effective holder where a nominee has been appointed) of the Performance Right's engagement with the Company (or one of its subsidiaries) is terminated for whatever reason, any unvested Performance Rights held by that relevant holder will automatically lapse.

(f) **Expiry Date**

Each Performance Right shall otherwise expire five (5) years from the date of issue (**Expiry Date**). If the relevant Milestone attached to the Performance Right has been achieved by the Expiry Date, all unconverted Performance Rights of the relevant class will automatically lapse at that time.

(g) **Consideration**

The Performance Rights will be issued for nil consideration and no consideration will be payable upon the conversion of the Performance Rights into Shares.

(h) **Share ranking**

All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.

(i) **Application to ASX**

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(j) **Timing of issue of Shares on Conversion**

Within 5 Business Days after date that the Performance Rights are converted, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the Official List at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (j)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(k) **Transfer of Performance Rights**

Subject to the ASX Listing Rules, and except as otherwise provided for by an offer, Performance Rights are only transferrable in Special Circumstances (as defined in the Plan) with the prior written consent of the Board (which may be withheld in its absolute discretion) or by force of law upon death, to the relevant holder's legal personal representative or upon bankruptcy to the holder's trustee in bankruptcy.

(l) **Participation in new issues**

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues without exercising the Performance Right.

(m) **Reorganisation of capital**

If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(n) **Dividend and voting rights**

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

(o) **Change in control**

Subject to paragraph (p), upon:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
  - (A) having received acceptances for not less than 50% of the Company's Shares on issue; and
  - (B) having been declared unconditional by the bidder; or
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

that number of Performance Rights that is equal to not more than 10% of the Shares on issue immediately following conversion under this paragraph will convert into an equivalent number of Shares. The conversion will be completed on a pro rata basis across each class of Performance Rights then on issue as well as on a pro rata basis for each holder. Performance Rights that are not converted into Shares under this paragraph will continue to be held by the holders on the same terms and conditions.

(p) **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Performance Right under paragraph (d) or (o) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (p)(i) within seven (7) days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(q) **No rights to return of capital**

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(r) **Rights on winding up**

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

(s) **No other rights**

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

(t) **Plan**

The terms of the Performance Rights are supplemented by the terms of the Company's Incentive Plan.

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## 5. RISK FACTORS

### 5.1 Introduction

The Securities offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 5, together with all other information contained in this Prospectus.

The future performance of the Company and the value of the Securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 5, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities. This Section 5 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 5 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

### 5.2 Company specific

Risk Category	Risk
<b>Reinstatement of the Company's Securities to Official Quotation on ASX</b>	<p>The Company's securities have been suspended from trading on ASX since 8 April 2019. SAS attempted on several occasions to raise capital to effect a recapitalisation of the business and to resume trading. Despite these attempts, Administrators were appointed to the Company on 6 April 2020. At a second meeting of creditors held on 30 June 2020, creditors resolved in favour of the DOCA. The Company and the Administrators executed the DOCA (and associated documents) and it came into effect on 4 August 2020. A proposed amendment to the DOCA was sent to creditors on 2 November 2020 and approved by creditors on 17 November 2020.</p> <p>The Company notes that, as at the date of this Prospectus, ASX has advised the Company that it is not prepared to grant approval for reinstatement at this time and there is a risk that ASX will never grant the Company approval to reinstate its securities to trading. Unless ASX agrees to reinstate the Company's securities to trading on or before 8 April 2021 (or such later date approved by ASX), the Company will be de-listed from ASX. In these circumstances, CSS Alpha (BVI) Limited and Telefox Ltd may immediately demand repayment of the Convertible Notes that they hold.</p>

Risk Category	Risk
<b>Dilution</b>	<p>The Company currently has 74,700,208 Shares on issue. As set out in this Prospectus, the Company is intending to issue up to 24,125,050 Options and 4,750,000 Performance Rights. No immediate dilution will occur as a result of the issue of Options or Performance Rights under this Prospectus. However subsequent exercise of any or all of the Options and Performance Rights will result in dilution. Assuming all Options offered pursuant to this Prospectus are issued and exercised into Shares and all of the Performance Rights offered pursuant to this Prospectus are converted into Shares (following satisfaction of the relevant milestones) Shareholders who do not participate in the Offers, are likely to be diluted by an aggregate of approximately 27.88% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus).</p> <p>The Company notes that further dilution may also occur as a result of the Subsequent Capital Raising and the issue of Shares upon the future exercise of the Underwriter Options, which are proposed to be issued in connection with the Subsequent Capital Raising.</p> <p>It is not possible to predict what the value of the Company, a Share or an Option will be following the completion of the Offers and the Directors do not make any representation as to such matters. The last recorded closing sale price of the Shares on ASX prior to the voluntary suspension and lodgement of this Prospectus with the ASIC was \$0.028 (which was recorded prior to the consolidation of the capital of the Company on a 2,800:1 basis). This price is not a reliable indicator as to the potential value of Shares after closure of the Offers or upon reinstatement to trading on ASX.</p>
<b>Additional Requirements for Capital</b>	<p>The Company's audited financial report for the year ended 30 June 2020 and its reviewed financial report for the half year ended 31 December 2020 included a statement that there was material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. The financial statements were still prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business following the effectuation of the DOCA.</p> <p>The reports stated that the ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds from capital raisings and manage its contractual and discretionary cash outflows un line with available funds to enable the Group to meet both its current obligations and its committed future expenditure.</p> <p>At the time of preparation of the financial reports, the Directors believed that the Group would be able to continue as a going concern and therefore it was appropriate to adopt the going concern basis in the preparation of the financial reports. The Directors formed this view on the basis of:</p> <ul style="list-style-type: none"> <li>• effectuation of the DOCA and subsequent capital raisings post-effectuation (as demonstrated by the February Placement);</li> <li>• entry into settlement agreements with GomSpace in January 2020 and Virgin Orbit in October 2020;</li> <li>• the Company's history of receiving research and development tax claims and grants; and</li> <li>• the ability of the Company to negotiate successfully with key suppliers to delay or renegotiate omitted future expenditure if required due to funds constraints.</li> </ul> <p>The Directors continue to believe that the Group will be able to continue as a going concern on the basis that the above factors still remain true.</p>

Risk Category	Risk
	<p>However, it is highly likely that further funding will be required to meet the medium term operating costs of the Company and in the event that the Company is unable to achieve the matters detailed above, it may not be able to continue as a going concern and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations.</p> <p>The Company's ability to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. Depending on the Company's ability to generate income and revenue from its operations, the Company may require further financing in the future. Specifically, the Company will require further funding for the annual payments of \$1,000,000 (commencing on 1 July 2021) which are payable to Virgin Orbit LLC in accordance with the terms of the services agreement (announced on 28 October 2020). In addition, if the Company Shares are delisted or the Company's Shares are not reinstated to trading on or before 28 January 2022 (being 12 months from the date on which the DOCA was effectuated, CSS Alpha (BVI) Limited and Telefox Ltd may immediately demand repayment of the Convertible Notes that they hold.</p> <p>Following effectuation of the DOCA and completion of the Initial Capital Raising, the Company believes that it will have sufficient working capital to adequately meet the Company's short-term creditor commitments as a result of the funds raised. The Company has also obtained Shareholder approval to conduct, and appointed CPS Capital Group Pty Ltd as the lead manager and partial underwriter of, the Subsequent Raising.</p> <p>Any additional equity financing (including the Subsequent Capital Raising) will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its operating activities as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.</p>
<b>Bankruptcy Proceedings</b>	<p>The Company notes that its Polish controlled entity, Sky and Space (Poland) Software Ltd (<b>SAS Poland</b>), is currently the subject of bankruptcy proceedings. The Company notes that the SAS Poland was originally incorporated to employ software engineers based in Poland. All the software and intellectual property developed by these engineers is owned by the Company's subsidiary that is incorporated in the United Kingdom (Sky and Space Global (UK) Limited). The bankruptcy proceedings involving SAS Poland are therefore not anticipated to have any impact on the business and operations of the Company moving forward.</p>
<b>Nanosatellites</b>	<p>Although SAS develops and provides technical specifications, SAS does not plan to manufacture its own hardware. SAS will outsource nano-satellites manufacturing, while using Customer Off The Shelf (<b>COTS</b>) hardware to meet many technological needs as part of its business model. As such, SAS will depend on subcontractors meeting the specifications and manufacturing schedule for its nano-satellites, assuming the risk of a subcontractor not meeting the requirements. The development of a nanosatellites is a technology challenge and may be delayed due to failures during testing and/or operations of the satellites.</p>

Risk Category	Risk
<b>Software Development</b>	Major effort is dedicated to software development and management, specifically for the communication network in the space and ground segment. Software development is always a risk for budget and schedule, both for development itself and also for debugging and proofing of software.
<b>Communication hardware</b>	SAS plans to subcontract a provider for command and telemetry communication sites, with performance meeting operational requirements according to analysis and specifications. Failure of hardware, or even reduced performance of hardware (according to specifications), may lead to degradation in system performance and delays in schedule.
<b>Ground Device Unit</b>	SAS does not plan to manufacture its own ground device terminal hardware, as such, SAS will depend on subcontractors meeting the specifications and manufacturing schedule for its Ground Device Units, assuming the risk of a subcontractor not meeting the requirements. The development of the terminals is a technology challenge and may be delayed due to failures during testing or production.
<b>Development and commercialisation of the SAS technology</b>	The success of the Company depends upon its ability to develop and commercialise SAS technology. A failure to successfully develop and commercialise SAS technology could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position. Any inability to access third party proprietary software, or flaws in any third party software used by SAS, could adversely affect SAS's ability to develop and commercialise the SAS technology. There is a risk that the Company's current, and any new technology launched and developed, may be unprofitable because they are not supported by sufficient interest or otherwise not adequately marketed and fail to generate interest. The prospects of the Company must be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of commercialisation.
<b>Competition</b>	<ul style="list-style-type: none"> <li>• <b>Pricing:</b> The SAS business model and strategy is based on low pricing for market penetration. Competitors may select to use an aggressive pricing policy in order to defend their market share, even at the cost of a loss.</li> <li>• <b>Wide band systems:</b> There are several initiatives worldwide for development of a global wide band systems (Wi-Fi anywhere). There is a risk of a global player investing significant funds and resources for building such a system.</li> <li>• <b>Similar system:</b> The hardware used in SAS's communications network is COTS. There is a possibility of competition trying to imitate the SAS concept.</li> <li>• <b>Other Nanosatellite IoT operators:</b> Since the Company successfully demonstrated that nanosatellites can be used for communication services, other companies have started efforts to provide IoT services using nanosatellites. The Company estimates the demand is high and market share is large enough to support many service providers.</li> <li>• <b>Litigation affected by competition:</b> While there is no current legal risk, it is possible for competitors to try and influence frequency allocation procedures with direct appeals to the International Telecommunication Union (ITU) or by using local (state level) influence. Such activity may deployment of an operational system.</li> </ul>
<b>Regulation risk</b>	<ul style="list-style-type: none"> <li>• <b>ITU frequency co-ordination for operational system:</b> ITU approval is required for using communication frequencies in a</li> </ul>

Risk Category	Risk
	<p>fully operational system. SAS cannot guarantee approval or efficient co-ordination of these communication frequencies.</p> <ul style="list-style-type: none"> <li>• <b>Satellite licensing:</b> SAS is licensing its assets through the UK Space Agency (<b>UKSA</b>). SAS cannot guarantee UKSA approval schedule for providing the required licenses prior to launch.</li> <li>• <b>Landing rights:</b> SAS is licensing its ground segment through its customers and resellers. SAS cannot guarantee approval schedule for providing the required licenses prior to commissioning.</li> <li>• <b>Export license and End-use/End-user regulations:</b> The founders of SAS and key personnel are Israeli citizens and subjected to Israel regulation of export license control. SAS is a registered UK company and is subjected to the UK regulation of export license control. SAS cannot guarantee it will have no impact on sensitive government commercial opportunities being made available to SAS.</li> </ul>
<b>Partnership risks</b>	<p>The SAS business model requires signing partnership/customer agreements with local satellite communication providers. There are factors beyond SAS control (such as local economy, competitor's activity, satcom provider considerations etc) that may delay or preclude these agreements.</p>
<b>Security risks</b>	<p>Global security issues may influence satellite communication market and industry. Investors should consider the implications on SAS and its possible success.</p>
<b>Launch failure, delays and cost</b>	<p>Satellite launches are a risk and there is the possibility of a failure, causing major program delay and the need to rebuild, re-integrate and re-test the space segment. SAS will use common practice methods to minimize this risk, including selection of launch contractor with high success rate, insurance to cover the financial risk, etc.</p>
<b>Space environment</b>	<ul style="list-style-type: none"> <li>• <b>Space environment qualification:</b> SAS nanosatellites hardware is qualified for space environment at some level, however not all components are fully redundant, as part of the business model and technological concept. There is the possibility of in-space failure due to space environment issues.</li> <li>• <b>Space weather events:</b> Extreme space weather events such as solar flares, solar eruptions, gamma ray bursts etc are a rare possibility. Although SAS hardware will be designed and tested to withstand nominal space environment conditions, SAS satellites (as most satellites currently in use) are not designed to withstand such an extreme event.</li> </ul>
<b>SAS's intellectual property – Development and Registration in UK</b>	<p>SAS is developing intellectual property (IP) mainly for communication protocols, network algorithms, and network management, which it will take steps to protect with an IP registration strategy to the extent possible. Optimisation of narrowband communication protocol is a competitive IP advantage against any future competitors.</p>
<b>Reliance on key personnel</b>	<p>The responsibility of overseeing the day-to-day operations and the strategic management of SAS rests substantially on its senior management, key personnel and developers. There can be no assurance that there will be no detrimental impact on SAS if one or more of these employees cease their employment or if one or more of SAS's directors leaves its board.</p> <p>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the</p>

Risk Category	Risk
	continued contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business.
<b>Regulatory risks</b>	The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company. The Company's ability to operate in the future will depend in part on whether it is able to effectively commercialise its potential interests in products. This will depend on successful completion of product development activities, obtaining regulatory approval and on there being commercial demand for such products which cannot be guaranteed.

### 5.3 General risks

Risk Category	Risk
<b>Economic</b>	General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business and operations, as well as on its ability to fund those operations.
<b>Competition risk</b>	The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's business and operations.
<b>Market conditions</b>	<p>Share market conditions may affect the value of the Company's Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ul style="list-style-type: none"> <li>• general economic outlook;</li> <li>• introduction of tax reform or other new legislation;</li> <li>• interest rates and inflation rates;</li> <li>• changes in investor sentiment toward particular market sectors;</li> <li>• the demand for, and supply of, capital; and</li> <li>• terrorism or other hostilities.</li> </ul> <p>The market price of Securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.</p>
<b>Insurance</b>	The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material

Risk Category	Risk
	adverse effect on the business, financial condition and results of the Company.
<b>Force Majeure</b>	The Company's business and operations now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.
<b>Taxation</b>	<p>The acquisition and disposal of Securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Securities from a taxation viewpoint and generally.</p> <p>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.</p>
<b>Litigation Risks</b>	The Company is exposed to possible litigation risks including, but not limited to, intellectual property and patent claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.
<b>Climate risk</b>	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <ul style="list-style-type: none"> <li>• the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</li> <li>• climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</li> </ul>
<b>COVID-19 risk</b>	<p>The outbreak of the coronavirus disease (<b>COVID-19</b>) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>The Directors are actively monitoring the global situation and its impact on the Company's financial condition, liquidity, operations, suppliers, industry, and workforce. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior</p>

Risk Category	Risk
	to close of the Offer, the Company will notify investors under a supplementary prospectus.

#### 5.4 Speculative investment

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Securities.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Securities offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Securities.

Before deciding whether to subscribe for Securities under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

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## 6. ADDITIONAL INFORMATION

### 6.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### 6.2 Continuous disclosure obligations

As set out in the Important Notes Section of this Prospectus, the Company is a disclosing entity for the purposes of section 713 of the Corporations Act. Accordingly, information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with the ASIC;
  - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
  - (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
04/03/2021	Confirmation of Issue of Convertible Notes
04/03/2021	Proposed Issue of Securities – SAS
01/03/2021	Appendix 2A
26/02/2021	Proposed issue of Securities – SAS

Date	Description of Announcement
26/02/2021	SAS completions \$0.6M Share Placement
25/02/2021	Appendix 4D and Interim Financial Report 31 December 2020
19/02/2021	Becoming a substantial holder – Tiga Trading Pty Ltd
19/02/2021	Initial Substantial Holder Notice – Virgin Orbit
19/02/2021	Becoming a substantial holder – Merchant Funds Management
15/02/2021	Change of Director's Interest Notice – XK, SG and SS
15/02/2021	Appendix 2A
09/02/2021	Change of Company Name
09/02/2021	Proposed Issue of Securities
29/01/2021	Quarterly Report and Appendix 4C - 31 December 2020
28/01/2021	Update - Consolidation/Split - SAS
28/01/2021	SAS Recapitalised, Relunched and Rebranded
27/01/2021	Adoption of New Constitution
27/01/2021	Results of Meeting
29/12/2020	Consolidation/Split - SAS
29/12/2020	Notice of Annual General Meeting/Proxy Form
09/11/2020	Appendix 4E and Annual Report 30 June 2020
09/11/2020	Appendix 4G and Corporate Governance Statement
09/11/2020	Appendix 4D and Interim Financial Report 31 December 2019

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.skyandspace.co/](http://www.skyandspace.co/).

### 6.3 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The Company has been suspended from trading since 8 April 2019. Due to the suspension the highest and lowest market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus is not available. The last recorded closing sale price of the Shares on ASX prior to the voluntary suspension and lodgement of this Prospectus with the ASIC was \$0.028 (which was recorded prior to the consolidation of the capital of the Company on a 2,800:1 basis). This price is not a reliable indicator as to the potential value of Shares after closure of the Offers or upon reinstatement to trading on ASX.

### 6.4 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
  - (b) any property acquired or proposed to be acquired by the Company in connection with:
    - (i) its formation or promotion; or
    - (ii) the Offer; or
  - (c) the Offer,
- and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed director:
- (d) as an inducement to become, or to qualify as, a Director; or
  - (e) for services provided in connection with:
    - (i) the formation or promotion of the Company; or
    - (ii) the Offer.

### **Security holdings**

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus, is set out in the table below:

<b>Director</b>	<b>Shares</b>	<b>Options</b>	<b>Performance Rights</b>	<b>Convertible Notes</b>
Xavier Kris <sup>1</sup>	4,662,667	Nil	Nil	Nil
Stephen Gorenstein <sup>1</sup>	4,662,816	Nil	Nil	Nil
Silvio Salom <sup>1</sup>	3,958,333	Nil	Nil	Nil

#### **Notes:**

1. The Company has obtained Shareholder approval to issue:
  - (a) Mr Kris 1,500,000 Performance Rights (comprising 500,000 Class A Performance Rights, 500,000 Class B Performance Rights and 500,000 Class C Performance Rights);
  - (b) Mr Gorenstein 1,500,000 Performance Rights (comprising 500,000 Class A Performance Rights, 500,000 Class B Performance Rights and 500,000 Class C Performance Rights): and
  - (c) Mr Salom 1,750,000 Performance Rights (comprising 750,000 Class A Performance Rights, 500,000 Class B Performance Rights and 500,000 Class C Performance Rights).

The Performance Rights are being offered pursuant to this Prospectus.

### **Remuneration**

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (i.e., non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Each of the current Directors of the Company was appointed on 21 July 2020. Accordingly, the following table shows the proposed annual remuneration payable to both executive and non-executive Directors for the financial year ending 30 June 2021.

Director	Proposed remuneration FY ending 30 June 2021
Xavier Kris <sup>1</sup>	\$348,443
Stephen Gorenstein <sup>2</sup>	\$234,652
Silvio Salom <sup>3</sup>	\$149,314

**Notes:**

1. Comprising of a cash payment of \$248,443 and a share-based payment of \$100,000.
2. Comprising of a cash payment of \$134,652 and a share-based payment of \$100,000.
3. Comprising of a cash payment of \$49,314 and a share-based payment of \$116,667.

**Letters of Appointment**

The Company has entered into letters of appointment with each of the Directors, the key terms of which are set out below.

	Xavier Kris	Stephen Gorenstein	Silvio Salom
<b>Role</b>	Executive Chairman	Non-Executive Director	Non-Executive Director
<b>Fees</b>	\$48,000 per annum (excluding superannuation)	\$48,000 per annum (excluding superannuation)	\$48,000 per annum (excluding superannuation)
<b>Performance Rights</b>	1,500,000 Performance Rights (comprising 500,000 Class A, 500,000 Class B and 500,000 Class C Performance Rights).	1,500,000 Performance Rights (comprising 500,000 Class A, 500,000 Class B and 500,000 Class C Performance Rights).	1,750,000 Performance Rights (comprising 750,000 Class A, 500,000 Class B and 500,000 Class C Performance Rights).
<b>Term</b>	The appointment of each of the Directors is in accordance with the Constitution, the Corporations Act and the Company's charters and policies (as will be amended from time to time). The appointment of each of the Directors is subject to provisions of the Constitution relating to retirement by rotation and re-election of directors and will cease at the end of any meeting at which the Director is not re-elected as a director by Shareholders, at any time a Director resigns by written notice, or otherwise in accordance with the Constitution.		

The letters of appointment otherwise contain provisions considered standard for an agreement of their nature (including duties and confidentiality provisions).

## **Services Agreements**

The Company has also entered into a services agreement with each of Mr Stephen Gorenstein of Jindalee Partners Pty Ltd (ACN 641 153 371) and XJRK Management Group Pty Ltd (an entity controlled by Xavier Kris), the key terms of which are set out below.

<b>Contractor</b>	XJRK Management Group Pty Ltd	Mr Stephen Gorenstein of Jindalee Partners Pty Ltd (ACN 641 153 371)
<b>Fees</b>	A monthly retainer of A\$17,500 plus GST	A monthly retainer of A\$7,500 plus GST
<b>Term and Termination</b>	The agreement commenced on 4 August 2020 and has a minimum period of twelve months.  On and from 4 May 2021, either party may terminate the agreement by providing 9 months written notice.	The agreement commenced on 4 August 2020 and has a minimum period of twelve months.  In the event of termination, for whatever reason by the Company a termination fee becomes immediately payable to Jindalee of A\$90,000 plus GST less any monthly retainer fees received by Jindalee up until the date of termination.
<b>Services</b>	Management and consulting services	Consulting services to assist in the Company's strategic, business and financial planning

### **6.5 Interests of experts and advisers**

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
  - (i) its formation or promotion; or
  - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or

(h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$10,000 (excluding GST and disbursements) for these services.

## 6.6 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the securities), the Directors, the persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and
- (c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus.

Moore Australia Audit (WA) has given its written consent for the reviewed balance sheet of the Company as at 31 December 2020 to be used for the purposes of the pro-forma balance sheet set out in Section 3.4.

## 6.7 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately \$15,206 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
Legal fees	10,000
Miscellaneous	2,000
<b>Total</b>	<b>15,206</b>

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**7. DIRECTORS' AUTHORISATION**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



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**XAVIER KRIS  
EXECUTIVE CHAIRMAN  
SKY AND SPACE COMPANY LTD**

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## 8. GLOSSARY

**\$** means the lawful currency of the Commonwealth of Australia.

**Application Form** means an application form either attached to or accompanying this Prospectus.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the listing rules of the ASX.

**ASX Settlement Operating Rules** means the settlement rules of the securities clearing house which operates CHESS.

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

**Closing Date** means the date specified in the timetable set out at Section 1 (unless extended).

**Company** means Sky and Space Company Ltd (ACN 117 770 475).

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the directors of the Company as at the date of this Prospectus.

**Initial Capital Raising** means the issue of 34,367,000 Shares at an issue price of \$0.20 per Share to raise \$6,873,400, together with one Option for every four Shares subscribed for and issued, exercisable at \$0.31 each on or before the Re-Quotation Date.

**Official Quotation** means official quotation on ASX.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Prospectus** means this prospectus.

**Section** means a section of this Prospectus.

**Securities** means Shares and/or Options as the context requires.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.