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ASX Code: SAS

Globalsat Group Commercial Testing on SAS Network Successfully Completed

Highlights

- Commercial testing program on the SAS narrowband communications network has been successfully completed.
- This full operational testing phase of the Globalsat systems has been performed through the Company's 3 Diamonds nano-satellites, which were launched in 2017 and designated fully operational in February 2018.
- Testing, performed in South America, demonstrated SAS system capabilities to the full satisfaction of Globalsat Group, under the SAS /Globalsat Evaluation Agreement
- The tests confirmed compatibility between SAS' and Globalsat's solutions and the ability to deliver a commercial narrowband communication offering in Central and South America
- SAS Executive Management now in advanced commercial discussions with Globalsat, with the objective to progress negotiations to sign a commercial agreement.

Sky and Space Global Ltd (ACN 117 770 475) **(the Company)** is pleased to announce it has successfully completed the commercial testing program of its Machine-to-Machine (M2M), Internet of Things (IoT) and Data Transfer testing under its Operational Evaluation Agreement with Globalsat Group LLC (Globalsat). With this final testing phase complete, management is in advanced commercial discussions with Globalsat, with the objective to work on a commercial agreement for Globalsat to use the SAS Equatorial Constellation narrowband communication network.

As announced on 15 March 2018, SAS entered into an Operational Evaluation Agreement with Globalsat to test the compatibility of SAS' and Globalsat's technology and business model to provide commercialised satellite communications services in Central and South America. The operational evaluation was executed in two stages – lab testing and commercial field testing – with both stages now complete, validating the compatibility of SAS' technology and the Company's business model. The SAS team conducted the operational testing in South America together with the Globalsat Group team, to the full satisfaction of both parties.

Discussions to agree commercial terms are now well advanced. The agreement will formalise the provision of SAS' narrowband satellite communication services allowing Globalsat to provide its Central and South American customers with mobile connectivity and IoT services.

Today approximately 10% of the Latin American population has no access to mobile connectivity. Poor mobile connectivity is experienced across large parts of the region due to lack of cellular coverage outside of main city centres, negatively impacting economic development, businesses, and people. An agreement between Globalsat and SAS will enable the provision of M2M and IoT connectivity services to the region, providing a much-needed service to this underserved region.

Sky and Space Global's CEO, Mr. Meir Moalem said: "We are pleased that the commercial testing with Globalsat was a great success and excited that we are now actively progressing commercial discussions. Our successful test was the world's first operation using a nanosatellite for communication purposes in the American continent, and we are certain many more will follow."

Globalsat Group CEO, Mr. J. Alberto Palacios said: "The tests with the 3-Diamond nano-satellites were widely successful. We believe that when the Sky and Space 200-satellite constellation is complete and operational it will be a game-changing technology that can transform narrowband satellite communications. Globalsat is ready to advance our relationship with SAS to agree on a commercial arrangement, which will see us deliver mobile connectivity and IoT services to Latin and Central America".

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About Sky and Space Global Ltd

Sky and Space Global Ltd is an ASX listed (SAS) satellite company with European and Israeli centres of Aerospace, Satellite and Software Industry Experts.

The Company's core business is to operate a communications infrastructure based on nanosatellite technology and develop highly sophisticated software systems that will deploy, maintain orbit control and handle the communication network in space to provide a global coverage. The Company successfully launched its first three nanosatellites, the '3 Diamonds', into space in June 2017 and is preparing for the launch of a constellation of 200 more nanosatellites by 2020.

The Company's vision is to provide affordable communication coverage and services to anyone, anywhere, anytime with relatively low maintenance costs. This will enable Sky and Space Global to deliver cost-effective communications infrastructure and services to those who need it most and to disrupt the telecommunications and international transport industries. Sky and Space Global Ltd owns 100% of Sky and Space Global (UK) Limited.

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About Globalsat Group LLC

Founded in 1999, Globalsat Group is the first Pan-American Mobile Satellite Service (MSS) consortium and a leading provider of voice, data, M2M/IoT, software, and hardware development through the western hemisphere.

The group has offices in the continental United States, Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Peru, Puerto Rico and Mexico as well as distributors in the most important cities in the region.

Continuously and efficiently, Globalsat land, maritime and aero solutions provide mission-critical communications to thousands of clients across sectors which include energy, government, defence, media, mining, banking agriculture, NGOs and tourism.

Recently, Globalsat Group was honoured with the “Top Land Mobility Satcom Innovation Award” by the Mobile Satellite User Association. Globalsat was also named “Latin America Satellite Communications Company of the Year” two consecutive years (2016, 2017) by the highly recognised international consulting firm Frost & Sullivan. For more information about the consortium, please visit: <http://www.globalsat.com/>.

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