

SKY AND SPACE GLOBAL LTD

ACN 117 770 475

PROSPECTUS

This prospectus contains the following offers:

- (a) an offer to Eligible Shareholders to subscribe for 100,000,000 Shares at an issue price of \$0.03 per Share in order to raise \$3,000,000 (before costs) (**Priority Offer**). Oversubscriptions of up to a further 33,333,334 Shares at an issue price of \$0.03 per Share to raise up to a further \$1,000,000 may be accepted under the Priority Offer;
- (b) an offer of up to 133,333,334 Options on the basis of one (1) new Option for every one (1) Share subscribed for by subscribers under the Priority Offer (**Priority Options Offer**);
- (c) an offer of up to 376,333,335 Options, on the basis of one (1) new Option for every one (1) Share subscribed for by subscribers under the Placement (**Placement Options Offer**);
- (d) an offer to the Directors to subscribe for up to 23,666,665 Shares at an issue price of \$0.03 per Share in order to raise \$710,000 before costs) (**Director Placement Offer**); and
- (e) an offer of up to 23,666,665 Options, on the basis of one (1) new Option for every one (1) Share subscribed for by Directors under the Director Placement Offer (**Director Options Offer**).

This Prospectus has also been prepared for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date. Further details are set out in Section 4.6.

Taylor Collison Limited (ACN 008 172 450) AFSL 247083 is acting as Lead Manager to the Priority Offer and the Placement.

The Priority Offer is underwritten to \$3,000,000 by Taylor Collison and Chieftain Securities Pty Ltd (ACN 608 580 285) AFSL 492850 (the **Underwriters**). Refer to Section 8.5 for details regarding the terms of the underwriting.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

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

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1. CORPORATE DIRECTORY

Directors

Mr Meir Moalem
CEO and Managing Director

Mr Michael Malone
Non-Executive Chairman

Ms Maya Glickman-Pariente
Non-Executive Director

Mr Yonatan Shrama
Non-Executive Director

Ms Dianne Fulton
Non-Executive Director

Company Secretary

Ms Rachel Kerr

Mr Steven Wood

Registered Office

1202 Hay Street
WEST PERTH WA 6005

Telephone: +61 8 6556 2400

Website: www.skyandspace.global
Email: info@sasglobal.com.au

Auditor*

KPMG
300 Barangaroo Avenue
Sydney NSW 2000

Share Registry*

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

Solicitors

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

Lead Manager to the Placement

Taylor Collison Limited
Level 16
211 Victoria Square
Adelaide SA 5000

Underwriters to the Priority Offer

Taylor Collison Limited
Level 16
211 Victoria Square
Adelaide SA 5000

Chieftain Securities Pty Ltd
1202 Hay Street
West Perth WA 6005

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

2. IMPORTANT NOTES

This Prospectus is dated 21 February 2019 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content 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 the 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.

The Priority Offer and Priority Options Offer are only available to Eligible Shareholders.

The Placement Options Offer is only available to those persons who participated in the Placement.

The issue of all of the Securities the subject of the Offers is subject to receipt of prior Shareholder approval at the General Meeting.

Applications for Securities offered pursuant to this Prospectus can only be submitted by Eligible Applicants on an original Application Form which accompanies this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares and Options the subject of this Prospectus should be considered highly speculative.

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. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

2.1 Risk factors

Potential investors should be aware that subscribing for Shares and Options in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares and Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

2.2 Applicants outside Australia

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus

does not constitute an offer of Shares and Options in any jurisdiction where, or to any person to whom, it would be unlawful to issue in this Prospectus.

2.3 Disclaimer

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

2.4 Website

A copy of this Prospectus can be downloaded from the website of the Company at www.skyandspace.global. Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the 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. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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.

No document or information included on the Company's website is incorporated by reference into this Prospectus.

2.5 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 our Company, the Directors and our management.

We cannot and do 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.

We have 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 our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 7.

3. INDICATIVE TIMETABLE*

Lodgement of Prospectus with the ASIC and ASX	Thursday, 21 February 2019
Lodgement of Appendix 3B with ASX	Thursday, 21 February 2019
Opening Date	Thursday, 21 February 2019
Record Date	Wednesday, 27 February 2019
Closing Date*	Wednesday, 13 March 2019
General Meeting of Shareholders (the issue of all of the Securities the subject of this Prospectus is subject to receipt of Shareholder approval)	Monday, 1 April 2019
Issue of Shares and Options the subject of the Offers	Friday, 5 April 2019
Expected date of Official Quotation of Shares and Options the subject of the Offers	Monday, 8 April 2019

** The above dates are indicative only and may change without notice. The Directors reserve the right to vary these dates, including the Closing Date, without notice. The Company also reserves the right not to proceed with the Offers at any time before the issue of Securities to applicants.*

4. DETAILS OF THE OFFERS

4.1 Priority Offer

By this Prospectus, the Company invites Eligible Shareholders to apply for a total of 100,000,000 Shares at an issue price of \$0.03 per Share in order to raise \$3,000,000 (before costs). The Company may accept oversubscriptions of up to a further \$1,000,000 (before costs) through the issue of up to a further 33,333,334 Shares at an issue price of \$0.03 per Share. Therefore, the maximum amount which may be raised under the Priority Offer is \$4,000,000. The issue of the Shares the subject of the Priority Offer is subject to receipt of prior Shareholder approval at the General Meeting.

Eligible Shareholders are entitled to apply for up to \$15,000 worth of Shares (500,000 Shares) which may be applied for in parcels of \$2,000, \$5,000, \$10,000 or \$15,000 worth of Shares. No Eligible Shareholder shall be issued less than \$2,000 of the Shares offered under the Priority Offer.

Applications under the Priority Offer will be allocated on a 'first in first served basis' and the final allocation decision will be allocated at the sole discretion of the Board.

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus. Please refer to Section 6.1 for further information regarding the rights and liabilities attaching to the Shares offered pursuant to this Prospectus.

The Company will apply to the ASX for the Shares offered pursuant to this Prospectus to be granted Official Quotation on ASX.

The purpose of the Priority Offer and the intended use of funds raised are set out in Section 5.

The Priority Offer is underwritten for a total amount of \$3,000,000 by Taylor Collison Limited (for \$2,800,000) and Chieftain Securities Pty Ltd (for \$200,000).

4.2 Priority Options Offer

Eligible Shareholders who apply for Shares under the Priority Offer will, subject to receipt of prior Shareholder approval at the General Meeting, be entitled to one (1) free attaching listed Option for every one (1) Share subscribed for under the Priority Offer (**Priority Options**).

Under this Prospectus, the Company offers, for nil cash consideration, up to 133,333,334 free-attaching Priority Options on the basis of one (1) free-attaching Priority Option for every one (1) Share subscribed for by subscribers under the Priority Offer.

The terms and conditions of the Priority Options are set out in Section 6.2.

The Company will apply to the ASX for the Priority Options to be granted Official Quotation on ASX.

All of the Shares issued upon the future exercise of the Priority Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6 for further information regarding the rights and liabilities attaching to the Shares.

The purpose and effect of the Priority Options Offer are set out in Section 5.

4.3 Placement Options Offer

On 20 February 2019, the Company announced that it had received firm commitments for a placement to raise \$12,000,000 through the issue of 400,000,000 Shares at an issue price of \$0.03 per Share (**Placement**) with funds to be used for capex payments to suppliers, completion of first Pearl launch activities, for operational working capital and for general administration costs. It is noted that this figure includes the Shares proposed to be issued to the Directors who wish to apply for Shares on the same terms as the Placement subject to receipt of prior Shareholder approvals. Please refer to Section 4.4 for further details.

The Placement will be conducted in two tranches:

- (a) Tranche 1 – 260,503,568 Shares to raise \$7,815,107 (before costs) under the Company's existing Listing Rule 7.1 placement capacity (**Tranche 1 Placement**); and
- (b) Tranche 2 – 139,496,432 Shares to raise \$4,184,893 (consisting of 115,829,767 Shares to be issued to non-related party investors and 23,666,665 Shares to be issued to the Directors, all of which are subject to receipt of prior Shareholder approval) (**Tranche 2 Placement**).

The terms of the Placement provide that, subject to receipt of prior Shareholder approval at the General Meeting, one (1) free-attaching listed Option will be issued for every one (1) Shares subscribed for under the Placement (**Placement Options**).

Under this Prospectus, the Company offers, for nil cash consideration, up to 376,333,335 Placement Options on the basis of one (1) free-attaching Placement Option for every one (1) Share subscribed for by subscribers under the Placement.

The terms and conditions of all the Placement Options are the same as the Priority Options and are set out in Section 6.2.

The Company will apply to the ASX for the Placement Options to be granted Official Quotation on ASX.

All of the Shares issued upon the future exercise of the Placement Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6 for further information regarding the rights and liabilities attaching to the Shares.

The purpose and effect of the Placement Options Offer are set out in Section 5.

4.4 Director Placement Offer

As noted in the Company's announcement of 20 February 2019, Directors, Meir Moalem, Michael Malone, Yonatan Shrama, Maya Glickman-Pariente and Dianne Fulton each intend on participating in the Placement subject to receipt of prior Shareholder approval at the General Meeting.

Under this Prospectus, the Company offers up to 26,666,665 Shares to the Directors at an issue price of \$0.03 per Share in order to raise \$710,000.

The purpose of the Director Placement Offer is the same as the Placement and the intended use of funds raised are set out in Section 5.

4.5 Director Options Offer

If Shareholder approval is obtained for the Directors to participate in the Placement, they will also be entitled to be issued with Options on the same terms and conditions as the Placement Options.

Under this Prospectus, the Company offers, for nil cash consideration, up to 23,666,665 Placement Options to the Directors on the basis of one (1) free-attaching Option for every one (1) Share subscribed for by Directors under the Placement.

The terms and conditions of all the Placement Options are set out in Section 6.2.

The Company will apply to the ASX for the Placement Options to be granted Official Quotation on ASX.

The purpose and effect of the Director Options Offer are set out in Section 5.

4.6 Section 708A(11) of the Corporations Act

As set out in Section 4.3, on 20 February 2019 the Company announced the Placement. This Prospectus has also been prepared for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

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; and
- (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

the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

4.7 Opening and Closing Dates of the Offers

The Opening Date of the Offers is 21 February 2019 and the Closing Date will be 13 March 2019 at 5:00pm WST. The Directors reserve the right to close the Offers early or extend the Closing Date (as the case may be) in their absolute discretion, should it be considered by them necessary to do so.

4.8 Minimum Subscription

The minimum subscription to be raised pursuant to this Prospectus is \$3,000,000 as the Priority Offer is underwritten by Taylor Collison (for \$2,800,000) and Chieftain Securities (for \$200,000) for that amount.

4.9 Underwriting of Priority Offer

The Priority Offer is underwritten to \$3,000,000 by Taylor Collison and Chieftain Securities. Refer to Section 8.5 for details regarding the terms of the underwriting.

Brett Mitchell, who was a director of the Company within the last 6 months of the date of this Prospectus, holds 33% of the issued shares in Chieftain Securities. The Board has formed the view that the terms upon which Chieftain Securities will underwrite the offer have been reached on arm's length, commercial terms.

4.10 Lead Manager

Taylor Collison has been appointed as Lead Manager to the Placement and the Priority Offer. The terms of the appointment of the Lead Manager are summarised in Section 8.5.

4.11 Application for Securities

Applications for Securities under the Priority Offer must be made by Eligible Shareholders using the Application Form accompanying this Prospectus.

Application for Options under the Priority Options Offer and Placement Options Offer must only be made by Placement participants and Eligible Shareholders participating in the Priority Offer using the relevant Application Form accompanying this Prospectus.

Applications for Shares under the Director Placement Offer and Options under the Director Options Offer must only be made by the Directors under the using the relevant Application Form accompanying this Prospectus.

By completing an Application Form, applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Completed Application Forms must be mailed or delivered to the address set out on the Application Form, with sufficient time to be received by or on behalf of the Company by **no later than 5.00pm (WST) on the Closing Date**, which is currently scheduled to occur on Wednesday, 13 March 2019.

Due to the Priority Offer being on a first come first served basis, Eligible Shareholders who would like to download their Application Form for faster acceptance will be able register and log in to Computershare's Investor Centre on or around Thursday, 28 February 2019. A link to Computershare's Investor Centre can be reached here: <https://www-au.computershare.com/Investor/>

Once logged in Application Forms will be available under the "Statements & Documents" tab.

Applications under the Priority Offer must be accompanied by payment in full at the issue price of \$0.03 per Share in Australian currency by cheque or BPAY in accordance with the instructions set out in the Application Form.

The Company reserves the right to close the Offers early.

If you require assistance in completing an Application Form, please contact the Share Registry on 1300 850 505 or the Company on +61 8 6556 2400.

4.12 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY® you do not need to submit the Application Form but are taken to have made the declarations on that Application Form.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

4.13 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to “**Sky and Space Global Ltd Priority Offer Account**” and crossed “**Not Negotiable**”.

Your completed Application Form and cheque must reach the Company's share registry no later than 5:00pm WST on the Closing Date.

4.14 Implications on acceptance

Returning a completed Application Form will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Application Form, and read them both in their entirety; and
- (b) you acknowledge that once the Application Form is returned the application may not be varied or withdrawn except as required by law.

4.15 Issue

The Shares and Options the subject of the Offers will be issued in accordance with the ASX Listing Rules and the timetable set out at the commencement of this Prospectus. Holding statements for the Shares and Options issued under the Offers will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

The Directors will determine the recipients of the Shares in their sole discretion. The Board reserves the right to reject any Application or to allocate any Applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus Application

monies will be refunded (without interest) to the Applicant as soon as practicable after the Closing Date.

The Directors will determine the recipients of all the Options to be issued under this Prospectus. In this regard, subject to receipt of prior Shareholder approval:

- (a) the Priority Options will be issued to Eligible Shareholders that participate in the Priority Offer; and
- (b) the Placement Options will be issued to those persons who participated in the Placement (or their nominees); and
- (c) to the Underwriters in the event of a shortfall.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an Application as valid, or how to construe, amend or complete it, will be final.

4.16 ASX Listing

The Company will apply for Official Quotation of all Shares and Options issued under this Prospectus within 7 days after the date of this Prospectus. If ASX does not grant Official Quotation of the Shares or Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares or Options and will repay all application monies for the Shares or options within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares or Options is not to be taken in any way as an indication of the merits of the Company or the Shares or Options now offered for subscription.

4.17 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offers are not being extended and Shares and Options will not be issued to investors with a registered address which is outside Australia, Israel or Hong Kong.

Applicants resident outside of Australia are responsible for ensuring that taking up any of the Offers does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

Hong Kong

WARNING: The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Israel

The Securities have not been registered, and no prospectus will be issued, under the Israeli Securities Law - 1968. Accordingly, the Securities will only be offered and sold in Israel pursuant to an applicable private placement exemption namely, the Offers will be made to no more than 35 offerees, subject to certain conditions.

This offer document and any activities in connection with it shall not be deemed to be the provision of investment advice or invest marketing services.

If any recipient in Israel of this offer document is not the intended recipient, such recipient should promptly return it to the Company.

This offer document has not been reviewed or approved by the Israeli Securities Authority in any way.

4.18 Clearing House Electronic Sub-Register System and Issuer Sponsorship

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX, operates CHESS. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with separate statements (similar to a bank account statement) that set out the number of Shares 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 CHESS and issuer sponsorship.

Electronic sub-registers also mean ownership of Shares 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. Shareholders may request a holding statement at any other time, however a charge may be made for such additional statements.

4.19 Enquiries

Any questions concerning the Priority Offer should be directed to the Company Secretary, Ms Rachel Kerr or Mr Steven Wood, acting as Joint Company Secretary, on +61 8 6556 2400.

5. PURPOSE AND EFFECT OF THE OFFERS

5.1 Purpose of the Placement and the Priority Offer

The primary purpose of the Placement is to raise \$12,000,000 (before costs) and the primary purpose of the Priority Offer is to raise \$3,000,000 (before costs), with the ability for the Company to accept oversubscriptions of up to a further \$1,000,000, to be applied in accordance with the table set out below:

Item	Proceeds of the Placement and Priority Offer	Allocation of Proceeds (\$)	%
1.	Immediate GomSpace payment	3,200,000	21.33
2.	Other supplier payments (including Gomspace)	5,400,000	36.00
3.	General Working Capital ¹	5,413,964	36.10
2.	Expenses of the Placement and the Priority Offer ²	986,036	6.57
	Total^{3,4}	\$15,000,000	100%

Notes

1. Consisting of general costs associated with the management and operation of the business, including administration expenses, salaries, relating to the design, construction and testing of the Pearl constellation, in-house software development, operation of the Group's nano-satellites and management of the Group, directors' fees, rent and other associated costs.
2. Refer to Section 8.9 for details in respect of the estimated expenses of the Placement and the Priority Offer.
3. Assumes that Shareholder approval is received for the Priority Offer, Tranche 2 Placement and for the Directors to participate in the Placement up to \$710,000.
4. In the event that more than the full subscription of \$3,000,000 under the Priority Offer, up the full oversubscription of \$4,000,000, the additional funds raised (after any adjustment of expenses of the Priority Offer) will be applied towards general costs associated with the management and operation of the business, including administration expenses, salaries, directors' fees, rent and other associated costs.

On completion of the Placement and the Priority Offer, the Board believes the Company will have sufficient working capital to achieve these objectives.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

Purpose of Priority Options Offer, Placement Options Offer and Director Options Offer

This Prospectus has also been prepared for the offer of Options such that the relief provided under ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/80 with respect to the on-sale provisions of section 707 of the Corporations Act is available.

Specifically, if the Options are issued with disclosure under this Prospectus then the Shares issued upon the exercise of any of the Options can be on-sold within 12

months of their issue without a disclosure document for the on-sale offer (even if the Shares were issued without disclosure or lodgement of a cleansing statement), as the Options are issued with disclosure and the exercise of the Option does not involve any further offer.

5.2 Effect of the Placement and Offers

The principal effect of the Placement and Offers and assuming no further Shares are issued will be to:

- (a) increase the cash reserves by \$14,013,964 (assuming completion of the Placement and full subscription of the Priority Offer) or \$15,012,090 (assuming completion of the Placement and full oversubscription of the Priority Offer) (after deducting the estimated expenses of the Offers and the Placement) immediately after completion of the Offers and the Placement;
- (b) increase the number of Shares on issue from 1,845,939,128 as at the date of this Prospectus to 2,345,939,128 Shares (assuming completion of the Placement and full subscription of the Priority Offer) or 2,379,272,462 Shares (assuming completion the Placement and full oversubscription of the Priority Offer); and
- (c) increase the number of Options on issue from nil as at the date of this Prospectus to 500,000,000 Options (assuming completion of the Placement and full subscription of the Priority Offer) or 533,333,334 Options (assuming completion the Placement and full oversubscription of the Priority Offer).

5.3 Financial effect

The unaudited balance sheet as at 31 December 2018 and the unaudited pro-forma balance sheet as at 31 December 2018 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 all Shares and Options offered under the Prospectus are issued.

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.

	UNAUDITED 31-DEC-18	PROFORMA 31-DEC-18
CURRENT ASSETS		
Cash ¹ and cash equivalents	1,422,751	16,434,841
Other receivables	1,351,115	1,351,115
TOTAL CURRENT ASSETS	2,773,866	17,785,956
NON-CURRENT ASSETS		
Plant and equipment	17,347,116	17,347,116
Intangible assets	6,736,839	6,736,839

	UNAUDITED 31-DEC-18	PROFORMA 31-DEC-18
TOTAL NON-CURRENT ASSETS	24,083,955	24,083,955
TOTAL ASSETS	26,857,821	41,869,911
CURRENT LIABILITIES		
Trade and other payables	7,017,946	7,017,946
Provisions	100,698	100,698
TOTAL CURRENT LIABILITIES	7,118,644	7,118,644
TOTAL LIABILITIES	7,118,644	7,118,644
NET ASSETS	19,739,177	34,751,267
EQUITY		
Share capital ¹	51,693,960	66,706,050
Foreign currency translation reserve	175,512	175,512
Accumulated losses	(32,171,201)	(32,171,201)
Equity attributable to equity holders of the parent	19,698,271	34,710,361
Non-controlling interest	40,906	40,906
TOTAL EQUITY	19,739,177	34,751,267

Note:

¹ The proforma includes: Placement of 400,000,000 Shares issued at \$0.03 each; Priority Offer of 133,333,334 Shares issued at \$0.03, including oversubscription of 33,333,334 Shares; net of capital raising costs and other costs of the Offers. The potential impact of the exercise of the free-attaching Options, exercisable at \$0.05 each, has not been included in the proforma, the total of which would be \$26,700,000 if all Options were to be exercised.

5.4 Effect on capital structure

The principal effect of the Offers and Placement on the capital structure of the Company, assuming all Shares and Options offered under the Prospectus are issued, is set out below. There will be no proceeds from the Priority Options Offer and Placement Options Offer.

Shares

	Number	Number
	Completion of Placement and Full Subscription of Priority Offer	Completion of Placement and Full Oversubscription of Priority Offer
Shares on issue as at the date of this Prospectus	1,845,939,128	1,845,939,128
Issued under the Placement ¹	400,000,000	400,000,000
Issued under the Priority Offer ²	100,000,000	133,333,334
Total Shares on completion of the Placement and Priority Offer	2,345,939,128	2,379,272,462

Notes

1. Including Shares proposed to be issued under the Tranche 2 Placement (including to Directors under the Director Placement Offer), which are subject to receipt of prior Shareholder approval.
2. Full subscription under the Priority Offer is \$3,000,000 and full oversubscription under the Priority Offer is \$4,000,000.

Options

	Number	Number
	Completion of Placement and Full Subscription of Priority Offer	Completion of Placement and Full Oversubscription of Priority Offer
Options on issue as at the date of this Prospectus	Nil	Nil
Issued under the Placement Options Offer and Director Options Offer	400,000,000	400,000,000
Issued under the Priority Options Offer	100,000,000	133,333,334
Total Options on completion of the Placement and Priority Offer¹	500,000,000	533,333,334

Notes

1. The issue of all of the Options offered under the Prospectus is subject to receipt of prior Shareholder approval at the General Meeting.

5.5 Details of substantial holders

Based on substantial Shareholder notices lodged prior to the date of this Prospectus and the Company's annual financial report for the year ended 30 June 2018, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Mr Yonatan Shrama	317,000,000	17.17
Mr Meir Moalem	319,000,000	17.28
Mr Meidad Pariente	318,000,000	17.23

Subject to receipt of prior Shareholder approval at the General Meeting, it is proposed that Mr Shrama will participate in the Placement for up to \$50,000, Mr Moalem will participate in the Placement for up to \$200,000 and Mr Pariente's spouse, Ms Maya Glickman-Pariente, will participate in the Placement for up to \$50,000. None of the persons listed above will take part in the Priority Offer.

No persons (together with their associates) will be permitted to subscribe for Shares under the Placement or the Priority Offer that will result in their holding exceeding 19.99% of the voting Shares in the Company.

In addition, the Underwriting Agreements with each of Taylor Collison and Chieftain Securities provide that the Underwriter will ensure that no person will acquire, through participation in sub-underwriting the Property Offer, a holding of Shares of, or increase their holding, to an amount in excess of 19.9% of all the Shares on issue on completion of the Priority Offer.

5.6 Enquiries

Any questions concerning the Priority Offer should be directed to the Company Secretary, Ms Rachel Kerr or Mr Steven Wood, acting as Joint Company Secretary, on +61 8 6556 2400.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

6.1 Rights and Liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued 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 meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of the Company every holder of fully paid ordinary shares present in person or by an attorney; representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per share on a poll.

A person who holds a share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share.

Where there are 2 or more joint holders of a share and more than one of them is present at a meeting and tenders a vote in respect of the share, the Company will count only the vote cast by the member whose name appears first in the Company's register of members.

(c) Issues of further Shares

The Directors may, on behalf of the Company, issue, grant options over unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Constitution, Listing Rules, the Corporations Act and any rights for the time being attached to the shares in any special class of those shares.

(d) Variation of Rights

Unless otherwise provided by the terms of issue of a class of shares and subject to the Corporations Act, the rights attached to the shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, the Corporations Act and Listing Rules, Shares are freely transferable.

The Shares may be transferred by a proper transfer effected in accordance with the ASX Settlement Operating Rules, by any other method of transferring or dealing with Shares introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by either the Directors or ASX that is permitted by the Corporations Act.

The Directors may decline to register a transfer of Shares (other than a proper transfer in accordance with the ASX Settlement Operating Rules) where permitted to do so under the Listing Rules. If the Directors decline to register a transfer, the Company must, within 5 business days after the transfer is delivered to the Company, give the party lodging the transfer written notice of the refusal and the reason for the refusal. The Directors must decline to register a transfer of Shares when required by law, by the Listing Rules or by the ASX Settlement Operating Rules.

(f) **Dividends**

The Directors may from time to time determine dividends to be distributed to members according to their rights and interests. The Directors may fix the time for distribution and the methods of distribution.

Each share carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (not credited) bears to the total amounts paid and payable in respect of such shares.

(g) **Dividend reinvestment and Share plans**

Subject to the requirements in the Corporations Act and the Listing Rules, the Directors may implement and maintain dividend reinvestment plans (under which any member may elect that dividends payable by the Company be reinvested by way of subscription for fully paid shares in the Company).

(h) **Capitalisation of profits**

Subject to the Listing Rules and any rights or restrictions attaching to any class of shares, the Company may capitalise profits. Members are entitled to participate in a capital distribution in the same proportions in which they are entitled to participate in dividends.

(i) **Winding-up**

Subject to the rights of holders of shares with special rights in a winding-up and the Corporations Act, if the Company is wound up all monies and property that are to be distributed among Shareholders on a winding-up, shall be distributed in proportion to the Shares held by them respectively, irrespective of the amount paid-up or credited as paid-up on the Shares.

(j) **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.

(k) **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.

6.2 Rights and Liabilities attaching to Options

(a) **Entitlement**

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

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Offer Option will be \$0.05 (**Exercise Price**).

(c) **Expiry Date**

Each Offer Option will expire at 5:00 pm (WST) on that date which is three (3) years from the date of issue (**Expiry Date**). An Offer Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

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

(e) **Notice of Exercise**

The Offer Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Offer Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Offer 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 Offer Option being exercised in cleared funds (**Exercise Date**).

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

Within 15 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 Offer 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 Offer 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 the Offer 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 Offer Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Offer Options without exercising the Offer Options.

(k) **Change in exercise price**

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

(l) **Transferability**

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

7. RISK FACTORS

7.1 General

The Shares and Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares or Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Priority Offer and Placement specific – dilution risk

Upon implementation of the Placement and the Priority Offer, assuming the Priority Offer is oversubscribed, the number of Shares in the Company will increase from 1,845,939,128 currently on issue to 2,187,402,543. This means that each Share will represent a lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Priority Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.05 is not a reliable indicator as to the potential trading price of Shares after implementation of the Priority Offer.

7.3 Company specific risks

(a) Technology risks

- (i) Nanosatellites: 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 (**COTS**) hardware to meet many technological needs as part of its business model. As such, SAS will depend on subcontractors meeting the demand and specifications for its nano-satellites, assuming the risk of a subcontractor not meeting the requirements. The development of a nanosatellites constellation is a technology challenge and may be delayed due to failures during testing and/or operations of the satellites.
- (ii) Software development: Major effort is dedicated to software management, specifically for satellite communication network management. Software development is always a risk for budget and schedule, both for development itself and also for debugging and proofing of software.

- (iii) Ground system procurement and integration: SAS's nano-satellites will be controlled by a ground control system, which is a strictly COTS product that will require integration and testing. Once SAS procures an appropriate COTS ground control system, it will select a suitable location to place it, this is yet unknown and will be determined prior to the launch. The placement of the ground control system may require approval of the relevant local authorities.
- (iv) Communication hardware and link budget: SAS plans to use COTS communication hardware, 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.
- (v) End-User Component: Using the SAS system will require an end-user component and interface between the customer device (such as a smartphone) and the SAS system. Such component may be an external antenna or router, or an add-on dongle. SAS plans to use existing COTS products with small modifications. Failure to find such an end user component will require development and possible delays and additional funding.

(b) **Additional requirements for capital**

Additional funding will be required in the event costs exceed the Company's estimates and 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. Further additional financing will be required if the Board determines to accelerate the development of the SAS's technology and establishing a full Equatorial and then Global constellation of nano-satellites in the future.

The Company will seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of their activities and potential research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

As part of managing its future capital needs, alongside the Placement and Priority Offer, the Company has been renegotiating its payment terms and timing with various key suppliers, to realign certain payment terms to coincide with future revenue to most effectively manage its future cashflows. In addition, the Company has identified various corporate overhead (a mixture of salaries, marketing, administration and other operating expenditure items) that will also be reviewed to limit the Company's cash burn until it achieves its first material contracted revenues.

(c) **Development and commercialisation of the SAS technology**

The success of the Company depends upon SAS's ability to develop and commercialise the SAS technology. A failure to successfully develop and commercialise the 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.

Alternatively, the launch of the Company's technology may be extremely successful which may result in a sharp increase in demand.

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.

(d) **Competition**

- (i) Pricing: 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.
- (ii) Wide band systems: There are several initiatives worldwide for development of a global wide band systems (Wi-Fi anywhere). SAS estimates these systems are not mature and require mass investments of resources, not yet invested, with a lead-time of 5-10 years as minimum. There is a risk of a global player investing significant funds and resources for building such a system.
- (iii) Similar system: The hardware used in SAS's communications network is COTS. There is a possibility of competition trying to imitate the SAS concept.
- (iv) Litigation affected by competition: 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 delay SAS possibility to deploy an operational system.

(e) **Regulation Risks**

- (i) ITU frequency allocation for operational system: ITU approval is required for using communication frequencies in fully operational system. SAS cannot guarantee ITU approval.
- (ii) Satellite licensing: SAS is licensing its constellation of nanosatellites through the UK Space Agency (UKSA). SAS cannot

guarantee UKSA approval schedule for providing the required licenses prior to launch.

- (iii) Satellites orbit regulation: Although currently there are no specific regulatory issues concerning nanosatellites in Low Earth Orbit (**LEO**), this is a matter of global policy and regulation. SAS cannot guarantee this will not change prior to system deployment, and if there will be additional regulation, how it will influence budget and schedule.
- (iv) Export license and End-use/End-user regulations: 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 schedule or budget.

(f) **Partnership Risks**

The SAS business model requires signing partnership/customer agreements with local satellite communication providers. SAS has started at an early stage negotiation with such SatCom providers. However, there are factors beyond SAS control (such as local economy, competitor's activity, sitcom provider considerations etc) that may delay or preclude these agreements.

(g) **Security Risks**

Global security issues may influence satellite communication market and industry. Investors should consider the implications on SAS and its possible success.

(h) **Launch failure**

SAS has secured a launch of its nano-satellites with a launch provider. Space launch is a risk and there is the possibility of a failure, causing major program delay and the need to rebuild, integrate and test the nanosatellites. SAS will use common practice methods to minimize this risk, including selection of launch contractor with high success rate, insurance etc.

(i) **Space environment**

- (i) Space environment qualification: SAS nanosatellites hardware is qualified for space environment at some level, however not all components are Rad-Hard (radiation resistant) or fully redundant, as part of the business model and technological concept. There is the possibility of in-space failure due to space environment issues.
- (ii) Space weather events: 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.

(j) **SAS's intellectual property – Development and Registration in UK**

SAS is developing intellectual property (IP) mainly for network algorithms, processing and network management, which it will take steps to protect with an IP registration strategy to the extent possible. Satellite orbit selection, optimisation (and combination) for equatorial coverage is unique and will be a significant and material competitive IP advantage against any future competitors.

(k) **Market risks**

Current market forecast is for an ongoing increase in demand for satellites communication bandwidth. Macro-economic factors such as a global economy crisis may change this estimate and market demand.

(l) **Reliance on key personnel**

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.

(m) **Regulatory risks**

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.

7.4 General risks

(a) **Economic**

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 activities and potential research and development programmes, as well as on their ability to fund those activities.

(b) **Force Majeure**

The Company's projects 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.

(c) **Insurance risks**

The Company intends to insure its operations and those of SAS (as required) in accordance with industry practice. However, in certain circumstances, such 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 adverse effect on the business, financial condition and results of the Company effected.

(d) **Litigation risks**

The Company is exposed to possible litigation risks including, but not limited to, intellectual property and patent claims. Further, the Company or SAS 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 and SAS are not currently engaged in any litigation.

(e) **Dependence on outside parties**

The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

(f) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

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 related 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.

7.5 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares and Options offered under this Prospectus.

Therefore, the Shares and Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares or Options.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares or Options pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 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.

8.2 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 Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the 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.

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 3 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.

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 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
20/02/2019	\$12m Placement Secured and \$3m Priority Offer Underwritten
15/02/2019	Voluntary Suspension Extension
12/02/2019	Voluntary Suspension Extension
11/02/2019	Response to ASX Queries
08/02/2019	Voluntary Suspension Extension
07/02/2019	Voluntary Suspension Extension
06/02/2019	Voluntary Suspension
04/02/2019	Trading Halt
31/01/2019	Quarterly Activities and Cashflow Report
22/01/2019	Investor Presentation
21/01/2019	SAS Boosted by Reseller MoU and a Trial Service Agreement
16/01/2019	MOU Agreements expand footprint in USA and South America
08/01/2019	Company Update- Two New MoUs and Update on GomSpace Contract
10/12/2018	Initial Director's Interest Notice
10/12/2018	Final Director's Interest Notice
04/12/2018	Appointment of Independent Non-Executive Director
03/12/2018	MoU Agreement signed with Blue Power Group
30/11/2018	Results of Meeting
28/11/2018	Distribution Agreement Signed with GlobalSat Group
26/11/2018	Investor Presentation
15/11/2018	South American Footprint Strengthened
14/11/2018	Successful Disruptive Technology Demonstration at AfricaCom

14/11/2018	Company Presentation
06/11/2018	Initial Director's Interest Notice
05/11/2018	Final Director's Interest Notice
31/10/2018	Michael Malone Appointed as Non-Executive Chairman
31/10/2018	Notice of Annual General Meeting/Proxy Form
30/10/2018	Quarterly Activities and Cashflow Report
30/10/2018	Appendix 4G and Corporate Governance Statement

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.global.

8.3 Company update

As part of ongoing every day operations, the Company is continuously in ongoing discussions with potential customers. As at the date of this Prospectus, none of these discussions are sufficiently certain to warrant disclosure to investors or are otherwise considered by the Company to be information that would require specific disclosure in this Prospectus in accordance with the requirements of the Corporations Act.

8.4 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 highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the most recent respective dates of those sales were:

	(\$)	Date
Highest	0.069	23 November 2018
Lowest	0.047	8 January 2019
Last	0.05	21 February 2019

8.5 Material contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company:

Mandate to act as Lead Manager to Placement

The Company and Taylor Collison have entered into a mandate pursuant to which Taylor Collison has agreed to act as lead manager to the Placement on a best-endeavours basis.

The fees associated with the mandate are as follows:

- (a) the Company must pay Taylor Collison a management fee of 0.5% (plus GST) of the total Placement amount within 3 business days of receipt of subscription monies for the Shares the subject of the Placement;
- (b) The Company must pay to Taylor Collison a capital raising fee of 5.0% (plus GST) on the total funds raised by Taylor Collison and
- (c) the Company paid Taylor Collison a one-off corporate advisory fee of \$25,000 (excluding GST) in November 2018.

Mandate with Chieftain Securities

The Company and Chieftain Securities have entered into a corporate advisory mandate in relation to the Placement.

The fees associated with the mandate are as follows:

- (a) the Company must pay Chieftain Securities a management fee of 0.5% (plus GST) on the total funds raised pursuant to the Placement, including funds raised by Chieftain Securities or otherwise within 5 business days of completion of the Placement; and
- (b) the Company must pay to Chieftain Securities a placement fee of 5.0% (plus GST) on the total funds raised by Chieftain Securities pursuant to the Placement within 5 business days of completion of the Placement.

Underwriting Agreement – Taylor Collison

By an agreement between Taylor Collison and the Company (**Underwriting Agreement**), Taylor Collison has agreed to conditionally underwrite the Priority Offer for 93,333,333 Shares and 93,333,333 Options (**Underwritten Securities**) equating to \$2,800,000.

The obligation of Taylor Collison to underwrite the Underwritten Securities is subject to and conditional upon the Company issuing the Shares the subject of the Tranche 1 Placement.

Pursuant to the Underwriting Agreement, the Company has agreed to pay Taylor Collison an underwriting fee of 4% of the underwritten amount and a management fee of 2% of the underwritten amount. All fees are payable upon issue of the shortfall securities.

The obligation of the Underwriter to underwrite the Underwritten Securities is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **Indices fall:** the S&P ASX 200 Index is at any time after the date of this Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; or
- (b) **(Prospectus):** the Company does not lodge the Prospectus on the Lodgement Date or the Prospectus or the Offer is withdrawn by the Company; or
- (c) **(Supplementary prospectus):**
 - (i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in paragraph (p)(e) below, forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in Section 719 of the Corporations Act and the Company fails to lodge a Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter; or
- (d) **(Non-compliance with disclosure requirements):** it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the Underwritten Securities; or
- (e) **(Misleading Prospectus):** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of Sections 711, 713 and 716 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive; or
- (f) **(proceedings):** ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Offer or the Prospectus, or publicly foreshadows that it may do so;
- (g) **(Unable to Issue Securities):** the Company is prevented from issuing the Underwritten Securities within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or

- (h) **(future matters):** any statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- (i) **(Withdrawal of consent to Prospectus):** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent; or
- (j) **(No Quotation Approval):** the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX within 7 days of the Lodgement Date; or
- (k) **(ASIC application):** an application is made by ASIC for an order under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn; or
- (l) **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under Section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under Section 739 of the Corporations Act; or
- (m) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a Material Adverse Effect (as that term is defined in the Underwriting Agreement); or
- (n) **(Authorisation):** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably; or
- (o) **(Indictable offence):** a director or senior manager of a Relevant Company (as that term is defined in the Underwriting Agreement) is charged with an indictable offence; or
- (p) **(Termination Events):** subject always to clause 10.3 of the Underwriting Agreement (which relates to Material Adverse Effect (as defined in the Underwriting Agreement)), any of the following events occurs:
 - (i) **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union other than hostilities involving Libya, Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling by 10% or more;
 - (ii) **(Default):** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;

- (iii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect in a material respect;
- (iv) **(Contravention of constitution or Act):** a material contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (v) **(Adverse change):** an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material Adverse Effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
- (vi) **(Error in Due Diligence Results):** it transpires that any of the Due Diligence Results or any part of the Verification Material was, misleading or deceptive, materially false or that there was a material omission from them;
- (vii) **(Significant change):** a "new circumstance" as referred to in Section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (viii) **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Prospectus other than a statement the Company is required to make in order to comply with its disclosure obligations under the Listing Rules and/or the Corporations Act;
- (ix) **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (x) **(Official Quotation qualified):** the official quotation is qualified or conditional other than as set out in clause 1.3 of the Underwriting Agreement;
- (xi) **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy that has not been publicly disclosed or proposed as at the date of the Underwriting Agreement;
- (xii) **(Prescribed Occurrence):** a Prescribed Occurrence occurs, other than as disclosed in the Prospectus;

- (xiii) **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- (xiv) **(Event of Insolvency):** an Event of Insolvency (as that term is defined in the Underwriting Agreement) occurs in respect of a Relevant Company;
- (xv) **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$100,000 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xvi) **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any Relevant Company except as disclosed in the Prospectus;
- (xvii) **(Board and senior management composition):** there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter (such consent not to be unreasonably withheld);
- (xviii) **(Change in shareholdings):** there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xix) **(Timetable):** there is a delay in any specified date in the Timetable which is greater than 5 Business Days;
- (xx) **(Force Majeure):** a Force Majeure (as that term is defined in the Underwriting Agreement) affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (xxi) **(Certain resolutions passed):** a Relevant Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xxii) **(Capital Structure):** any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon exercise of Options, such Options having been disclosed to the ASX as at the date of the Underwriting Agreement;
- (xxiii) **(Breach of Material Contracts):** any of the Contracts (as that term is defined in the Underwriting Agreement) is terminated or substantially modified; or
- (xxiv) **(Market Conditions):** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom,

the United States of America or other international financial markets.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

Underwriting Agreement – Chieftain Securities

By an agreement between Chieftain Securities and the Company (**Underwriting Agreement**), Chieftain Securities has agreed to conditionally underwrite the Priority Offer for 6,666,667 Shares and 6,666,667 Options (**Underwritten Securities**) equating to \$200,000.

The obligation of Chieftain Securities to underwrite the Underwritten Securities is subject to and conditional upon the Company issuing the Shares the subject of the Tranche 1 Placement.

Pursuant to the Underwriting Agreement, the Company has agreed to pay Chieftain Securities an underwriting fee of 4% of the underwritten amount and a management fee of 2% of the underwritten amount. All fees are payable upon issue of the shortfall securities.

The obligation of Chieftain Securities to underwrite the Priority Offer is subject to the same events of termination as set out in the summary of the Taylor Collison Underwriting Agreement.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

8.6 Directors' Interests

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

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be and no benefits have been given or agreed to be given to a Director:

- (d) as an inducement to become, or to qualify him or her as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offers.

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.

Directors are not required under the Company's Constitution to hold any Shares to be eligible to act as a director. 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:

Director	Shares	Options
Mr Meir Moalem	319,000,000 ¹	Nil
Ms Maya Glickman-Pariente	318,000,000 ²	Nil
Mr Yonatan Shrama	317,000,000 ³	Nil
Mr Michael Malone ⁴	Nil	Nil
Ms Dianne Fulton ⁵	Nil	Nil

Notes:

- 19,000,000 Shares held by MultiModis M.M. Ltd. (IL).
- 300,000,000 Shares held by Meidad Pariente (Husband) and 18,000,000 held by Spacecialist Ltd (Husband's Company).
- 17,000,000 Shares held by Yonatan Shanan Ltd.
- Pursuant to the terms of Mr Malone's appointment letter, the Company has agreed, subject to receipt of shareholder approval, to issue Mr Malone (or his nominee) with 60,000,000 performance rights. The Company intends on seeking shareholder approval for this issue at the General Meeting.
- Pursuant to the terms of Ms Fulton's appointment letter, the Company has agreed, subject to receipt of shareholder approval, to issue Ms Fulton (or her nominee) with 8,000,000 performance rights. The Company intends on seeking shareholder approval for this issue at the General Meeting.

Subject to receipt of prior Shareholder approval at the General Meeting, it is proposed that Mr Moalem will participate in the Placement for up to \$200,000, Ms Glickman-Pariente will participate in the Placement for up to \$50,000, Mr Shrama will participate in the Placement for up to \$50,000, Mr Malone will participate in the Placement for up to \$400,000 and Ms Fulton will participate in the Placement for up to \$10,000. If this Shareholder approval is obtained, the following Shares and Options will be issued to the Directors pursuant to the Director Placement Offer and Director Options Offer:

Director	Shares	Options
Mr Meir Moalem	6,666,667	6,666,667
Ms Maya Glickman-Pariente	1,666,666	1,666,666
Mr Yonatan Shrama	1,666,666	1,666,666
Mr Michael Malone	13,333,333	13,333,333
Ms Dianne Fulton	333,333	333,333

No Director or any of their associates intends to participate in the Priority Offer.

Remuneration of Directors

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per

annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares. The maximum aggregate remuneration for non-executive Directors has been set at no more than \$250,000 per annum.

In addition, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

The table below shows the total annual remuneration paid to both executive and non-executive directors and proposed directors for the past financial year and the proposed remuneration for the current financial year.

	Financial year ended 30 June 2018	Financial year ended 30 June 2019
Mr Meir Moalem	\$2,219,708 ¹	\$556,200
Ms Maya Glickman-Pariente	\$318,036	\$338,200
Mr Yonatan Shrama	\$1,929,204 ²	\$338,200
Mr Michael Malone	N/A ³	\$54,000
Ms Dianne Fulton	N/A ⁴	\$43,325

Notes:

1. Includes \$1,689,333 Share-based payments.
2. Includes \$1,574,667 Share-based payments.
3. Michael Malone was appointed on 31 October 2018. Pursuant to the terms of Mr Malone's appointment letter, the Company has agreed, subject to receipt of shareholder approval, to issue Mr Malone (or his nominee) with 60,000,000 performance rights.
4. Dianne Fulton was appointed on 4 December 2018. Pursuant to the terms of Ms Fulton's appointment letter, the Company has agreed, subject to receipt of shareholder approval, to issue Ms Fulton (or her nominee) with 8,000,000 performance rights.

8.7 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 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 Offers; or
- (f) the Offers,

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 Offers.

Steinepreis Paganin has acted as solicitors to the Company in relation to the Offers and the Placement. The Company estimates it will pay Steinepreis Paganin approximately \$25,000 (excluding GST and disbursements) for these services and other services relating to the Offers and the Placement generally. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$58,031 (excluding GST and disbursements) for legal services provided to the Company.

Taylor Collison will be paid fees of approximately \$668,900 in respect of the Placement and the Priority Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, Taylor Collison has been paid fees totalling \$25,000 by the Company, relating to corporate advisory services.

Chieftain Securities will be paid fees of approximately \$191,600 in respect of the Priority Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, Chieftain Securities has been paid fees totalling \$478,000 by the Company, relating to prior capital raisings and corporate advisory fees.

8.8 Consents

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; and
- (b) 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.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Taylor Collison has given its written consent to being named as Lead Manager to the Placement and Lead Manager and an Underwriter to the Priority Offer in this Prospectus. Taylor Collison has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Chieftain Securities has given its written consent to being named as an Underwriter to the Priority Offer in this Prospectus. Chieftain Securities has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.9 Estimated Expenses of the Offers

The total expenses of the Offers (excluding GST) is set out in the table below:

Expenses of the Priority Offer and Placement	Completion of Placement and full subscription of Priority Offer \$	Completion of Placement and full oversubscription of Priority Offer \$
ASIC lodgement fee	3,206	3,206
ASX quotation fees (Shares and listed Options)	59,330	61,204
Legal expenses	25,000	25,000
Placement fee	680,500	680,500
Underwriting fee (4% of Priority Offer Underwritten Amount)	120,000	120,000
Underwriting Management fee (2% of Priority Offer Underwriting Amount)	60,000	60,000
Share Registry	28,000	28,000
Printing, distribution and other expenses	10,000	10,000
Total	986,036	987,910

8.10 Electronic Prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on +61 8 6556 2400 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.skyandspaceglobal.com.

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.

8.11 Privacy Act

If you complete an application for Shares or Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, 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 Company's share registry.


You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (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 Shares, the Company may not be able to accept or process your application.

9. 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, and as at the date of this Prospectus has not withdrawn his consent, to the lodgement of this Prospectus with the ASIC.



Mr Meir Moalem
CEO & Managing Director
Signed for and on behalf of
SKY AND SPACE GLOBAL LTD

10. DEFINITIONS

\$ means Australian dollars.

Applicant means an investor who applies for Shares or Options pursuant to the Priority Offer.

Application means an application for Shares or Options made on an Application Form.

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 CHES.

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.

Chieftain Securities means Chieftain Securities Pty Ltd (ACN 608 580 285) AFSL 492850.

Closing Date means the closing date specified in Section 3 (unless extended or closed earlier).

Company or **SAS** or **Sky and Space Global** means Sky and Space Global 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).

Director Options Offer means the offer of Placement Options to Directors as set out in Section 4.5.

Director Placement Offer means the offer of Shares to the Directors as set out in Section 4.4.

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

Eligible Applicant means:

- (a) an Eligible Shareholder; or
- (b) a participant of the Placement.

Eligible Shareholder means Shareholders, with an address in Australia, Israel or Hong Kong, registered in the Company's share register on the Record Date.

General Meeting means the general meeting of Shareholders to be held on or about 1 April 2019.

Offers means the Priority Offer, the Priority Options Offer, the Placement Options Offer, the Director Placement Offer and the Director Options Offer.

Official Quotation means official quotation on ASX.

Opening Date means the opening date specified in Section 3.

Option means an option to acquire a Share and includes a Priority Option and a Placement Option.

Mandate has the meaning given in Section 8.5.

Lead Manager means Taylor Collison.

Placement has the meaning given it in Section 4.3.

Placement Options has the meaning given it in Section 4.3.

Placement Options Offer means the offer of Placement Options to Placement participants the subject of this Prospectus.

Priority Offer means the offer of Shares to Eligible Shareholders the subject of this Prospectus.

Priority Options has the meaning given to it in Section 4.2.

Priority Options Offer means the offer of Priority Options to Priority Offer participants the subject of this Prospectus.

Prospectus means this prospectus.

Record Date means 5:00pm (WST) on the date specified in the timetable set out in Section 3.

Section means a section of this Prospectus.

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

Shareholder means the holder of a Share.

Taylor Collison means Taylor Collison Limited (ACN 008 172 450) AFSL 247083.

Underwriters means Taylor Collison and Chieftain Securities and **Underwriter** means any one of them.

Tranche 1 Placement has the meaning given to it in Section 4.3(a).

Tranche 2 Placement has the meaning given to it in Section 4.3(b).

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