
SKY AND SPACE GLOBAL LTD

ACN 117 770 475

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 3.00pm (WST)
DATE: Monday, 8 April 2019
PLACE: 1202 Hay Street
West Perth WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 3.00pm (WST) on 6 April 2019.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 260,503,568 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – PLACEMENT – APPROVAL TO ISSUE TRANCHE 2 SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 115,829,767 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – APPROVAL TO ISSUE OFFER OPTIONS TO PLACEMENT PARTICIPANTS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 376,333,335 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. **RESOLUTION 4 – APPROVAL TO ISSUE SHARES AND OFFER OPTIONS TO PRIORITY OFFER PARTICIPANTS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 133,333,334 Shares and up to 133,333,334 Offer Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. **RESOLUTION 5 – ISSUE OF DIRECTOR PLACEMENT SHARES AND OFFER OPTIONS TO RELATED PARTY - MICHAEL MALONE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 13,333,333 Shares and 13,333,333 Offer Options to Michael Malone (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Michael Malone (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. **RESOLUTION 6 – ISSUE OF DIRECTOR PLACEMENT SHARES AND OFFER OPTIONS TO RELATED PARTY - MEIR MOALEM**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 6,666,667 Shares and 6,666,667 Offer Options to Meir Moalem (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Meir Moalem (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. **RESOLUTION 7 – ISSUE OF DIRECTOR PLACEMENT SHARES AND OFFER OPTIONS TO RELATED PARTY - YONATAN SHRAMA**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,666,666 Shares and 1,666,666 Offer Options to Yonatan Shrama (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Yonatan Shrama (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. **RESOLUTION 8 – ISSUE OF DIRECTOR PLACEMENT SHARES AND OFFER OPTIONS TO RELATED PARTY - MAYA GLICKMAN-PARIENTE**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,666,666 Shares and 1,666,666 Offer Options to Maya Glickman-Pariente (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Maya Glickman-Pariente (and her nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. **RESOLUTION 9 – ISSUE OF DIRECTOR PLACEMENT SHARES AND OFFER OPTIONS TO RELATED PARTY - DIANNE FULTON**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 333,333 Shares and 333,333 Offer Options to Dianne Fulton (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dianne Fulton (and her nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. **RESOLUTION 10 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme titled Incentive Performance Rights Plan and for the issue of securities under that Plan, on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, or any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

11. **RESOLUTION 11 – ISSUE OF RELATED PARTY PERFORMANCE RIGHTS TO MICHAEL MALONE**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of Resolution 11, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 60,000,000 Performance Rights to Michael Malone (or his nominee) under the Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 11 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 11 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 11 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

12. RESOLUTION 12 – ISSUE OF RELATED PARTY PERFORMANCE RIGHTS TO DIANNE FULTON

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to and conditional upon the passing of Resolution 11, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue up to 8,000,000 Performance Rights to Dianne Fulton (or her nominee) under the Incentive Performance Rights Plan on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf any Director who is eligible to participate in the employee incentive scheme in respect of which the approval is sought, or any associates of those Directors (**Resolution 12 Excluded Party**). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, provided the Chair is not a Resolution 12 Excluded Party, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (iii) a member of the Key Management Personnel; or
 - (iv) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

Provided the Chair is not a Resolution 12 Excluded Party, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Dated: 1 March 2019

By order of the Board



**Mrs Rachel Kerr
Company Secretary**

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6556 2400.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. BACKGROUND

On 20 February 2019, the Company announced a capital raising comprising:

- (a) a two-tranche placement to professional and sophisticated investors to raise \$12,000,000 at an issue price of \$0.03 per Share (**Placement**); and
- (b) an offer to eligible shareholders on the same terms as the Placement via an underwritten, priority offer to raise up to \$3,000,000 (**Priority Offer**). the Company may also accept oversubscriptions of up to a further \$1,000,000 under the Priority Offer,

(together, the **Capital Raising**).

Funds raised under the Capital Raising will be allocated towards immediate GomSpace payment, other supplier payments (including GomSpace), general working capital and expenses of the Capital Raising.

Further details of the Placement and Priority Offer are set out below.

Placement

Under the Placement, the Company will issue a total of 400,000,000 Shares at an issue price of \$0.03.

The Placement has been structured into two-tranches as follows:

- (a) Tranche 1 - comprised of the issue of 260,503,568 Shares (**Tranche 1 Shares**) on 22 February 2019 to raise \$7,815,107 (before costs) (which were issued under the Company's 15% capacity under LR 7.1); and
- (b) Tranche 2 – comprises the issue of 115,829,767 Shares to non-related party investors (to be issued subject to approval of Resolution 2) and 23,666,665 Shares to be issued to the Directors (subject to approval of Resolutions 6 to 10) (**Tranche 2 Shares**) to raise \$4,184,893 (before costs).

Taylor Collison Limited is acting as Lead Manager for the Placement. The Company will pay Taylor Collison Limited a capital raising fee of 5.0% (plus GST) on the total funds raised by Taylor Collison and a management fee of 0.5% (plus GST) of the total Placement amount and has previously paid Taylor Collison a one-off corporate advisory fee of \$25,000 (excluding GST).

Director Placement Offer

Subject to receipt of prior Shareholder approval, the Company proposes to issue amongst the Directors 23,666,665 Shares on the same terms as the Placement Shares. Refer to Resolutions 6 to 10 and Section 6 for further details.

Priority Offer

The Company has lodged a prospectus for the Priority Offer dated 21 February 2019 (**Prospectus**) for the offer of up to 100,000,000 Shares at \$0.03 to raise up to \$3,000,000. 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. The issue of the Shares the subject of the Priority Offer is subject to receipt of prior Shareholder approval (refer to Resolution 4).

Under the Prospectus each eligible shareholder can apply for set allocations of \$2,000, \$5,000, \$10,000 or \$15,000 under the Priority Offer.

The Priority Offer is underwritten to \$3,000,000 by Taylor Collison Limited (to \$2,800,000) and Chieftain Securities Pty Ltd (to \$200,000). The Company will pay an underwriting fee of 4% of the underwritten amount of each Underwriter and 2% management fee on the underwritten amount of each Underwriter.

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

The offers under the Prospectus are expected to close on 13 March 2019.

Offer Options

The terms of both the Placement and Priority Offer provide that, subject to the receipt of prior Shareholder approval, one listed (1) free-attaching Option is to be issued for every one (1) Shares subscribed for (**Offer Options**). The Directors will also be entitled to Offer Options on a 1 for 1 basis.

These Offer Options are offered under the Prospectus and their issue is subject to approval of Resolutions 3, 4 and 5 to 9 (inclusive).

Resolutions

Resolution 1 of the Notice seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 260,503,568 Tranche 1 Shares issued under the Placement.

Resolution 2 seeks Shareholder approval for the Company to issue 115,829,767 Tranche 2 Shares under the Placement.

Resolution 3 seeks approval for the Company to issue 376,333,335 Offer Options pursuant to the terms of the Placement.

Resolution 4 seeks Shareholder approval for the Company to issue up to 133,333,334 Shares under the Priority Offer and up to 133,333,334 Offer Options pursuant to the terms of the Priority Offer.

Resolutions 5 - 9 seek Shareholder approval for the Directors to subscribe for up to 23,666,665 Shares and 23,666,665 Options on the same terms as the Placement.

Resolution 10 seeks Shareholders' approval of the Incentive Performance Rights Plan (last approved on 1 April 2016) and Resolutions 11 and 12 seek Shareholder approval for the issue of Performance Rights to Michael Malone and Dianne Fulton or (their nominees) under the Plan. These security issues are not related to the Priority Offer or Placement.

2. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE – TRANCHE 1 PLACEMENT SHARES

2.1 General

On 22 February 2019, the Company issued 260,503,568 Tranche 1 Shares at an issue price of \$0.03 per Share to raise \$7,815,107.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 260,503,568 Shares were issued;
- (b) the issue price was \$0.03 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placement (which includes the issue of the Tranche 1 Shares) was managed by Taylor Collison Limited and the Tranche 1 Shares were issued to sophisticated and professional investors identified by Taylor Collison Limited in consultation with the Company. None of the subscribers are related parties of the Company; and
- (e) the funds raised from this issue will be allocated towards immediate GomSpace payment, other supplier payments (including GomSpace), general working capital and expenses of the Capital Raising.

3. RESOLUTION 2 – PLACEMENT – APPROVAL TO ISSUE TRANCHE 2 SHARES

3.1 General

Resolution 2 seeks Shareholder approval for the issue of up to 115,829,767 Shares at an issue price of \$0.03 per Share to raise up to \$3,474,893 (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 2 will be to allow the Company to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is 115,829,767;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.03 per Share;
- (d) the Shares will be issued to sophisticated and professional investors. None of the subscribers are related parties of the Company; and
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds raised from this issue will be allocated towards immediate GomSpace payment, other supplier payments (including GomSpace), general working capital and expenses of the Capital Raising.

4. RESOLUTION 3 – APPROVAL TO ISSUE OFFER OPTIONS TO PLACEMENT PARTICIPANTS

4.1 General

Resolution 3 seeks Shareholder approval for the issue of up to 376,333,335 Offer Options for nil cash consideration to subscribers in the Placement (who are not related parties of the Company) on the basis of one (1) Offer Option for every (1) one Share subscribed for and issued (exercisable at \$0.05 on or before the date that is three years after the date of issue).

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 3 will be to allow the Company to issue the Offer Options pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

4.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Offer Options offered under the Placement:

- (a) the maximum number of Offer Options to be issued is 376,333,335;
- (b) the Offer Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Offer Options will occur on the same date;
- (c) the issue price of the Offer Options will be nil as they will be issued free attaching with the Shares issued pursuant to the Placement on a 1 for 1 basis;
- (d) the Offer Options will be issued to the subscribers in the Placement on the basis of one (1) Offer Option for every one (1) Share subscribed for and issued. None of these subscribers are related parties of the Company;

- (e) the Offer Options will be issued on the terms and conditions set out in Schedule 1; and
- (f) no funds will be raised from the Offer Options as the Offer Options are free attaching to Placement Shares and are issued for nil cash consideration.

5. RESOLUTION 4 – APPROVAL TO ISSUE SHARES AND OPTIONS TO PRIORITY OFFER PARTICIPANTS

5.1 General

Resolution 4 seeks Shareholder approval for the issue of up to 133,333,334 Shares at an issue price of \$0.03 per Share to raise up to \$4,000,000 under the Priority Offer and up to 133,333,334 Offer Options for nil cash consideration to participants of the Priority Offer on the basis of one Offer Option for every one Share subscribed for and issued (exercisable at \$0.05 on or before the date that is three years after the date of issue).

A summary of ASX Listing Rule 7.1 is set out in Section 2.1 above.

The effect of Resolution 4 will be to allow the Company to issue the Shares the subject of the Priority Offer and the Offer Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 4:

- (a) to the maximum number of Shares to be issued is 133,333,334;
- (b) the maximum number of Offer Options to be issued is 133,333,334
- (c) the issue price will be \$0.03 per Share;
- (d) the issue price of the Offer Options will be nil as they are proposed to be issued free-attaching with the Shares issued pursuant to the Priority Offer on a 1 for 1 basis;
- (e) the Shares and Offer Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares and the Offer Options will occur on the same date;
- (f) the Shares will be issued to eligible shareholders of the Company who participate in the Priority Offer. None of these subscribers are related parties of the Company;
- (g) the Offer Options will be issued to participants in the Priority Offer. None of these participants are related parties of the Company;
- (h) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (i) the Offer Options will be issued on the terms and conditions set out in Schedule 1;

- (j) the funds raised from this issue will be allocated towards immediate GomSpace payment, other supplier payments (including GomSpace), general working capital and expenses of the Capital Raising; and
- (k) no funds will be raised from the Offer Options as the Offer Options are proposed to be issued free-attaching to the Shares offered under the Priority Offer for nil cash consideration.

6. RESOLUTIONS 5 - 9 - ISSUE OF SHARES AND OFFER OPTIONS TO RELATED PARTIES

6.1 General

As set out in Section 1, the Company is undertaking the Placement.

The Directors have been offered Shares and Options on the same terms as the Placement. The issue of these Shares and Offer Options to the Directors is subject to receipt of prior Shareholder approval. If Resolutions 5 - 9 are approved, a total of 23,666,665 Shares and 23,666,665 Offer Options will be issued and \$710,000 will be raised under the Placement terms.

Resolutions 5 - 9 seek Shareholder approval for the issue of these Shares and Offer Options to the Directors (or their nominees).

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of securities constitutes giving a financial benefit and Michael Malone, Meir Moalem, Maya Glickman-Pariente, Yonatan Shrama and Dianne Fulton are related parties of the Company by virtue of being current Directors of the Company.

The Directors (other than Michael Malone who has a material personal interest in in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Michael Malone's participation because the Shares and Offer Options to be issued to Michael Malone, will be issued on the same terms as Shares and Offer Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Meir Moalem who has a material personal interest in Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Meir Moalem's participation because the Shares and Offer Options to be issued to Meir Moalem, will be issued on the same terms as Shares and Offer Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Yonatan Shrama who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Yonatan Shrama's participation because the Shares and Offer Options to be issued to Yonatan Shrama, will be issued on the same terms as Shares and Offer Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Maya Glickman-Pariente who has a material personal interest in Resolution 8) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Maya Glickman-Pariente's participation because the Shares and Offer Options to be issued to Maya Glickman-Pariente, will be issued on the same terms as Shares and Offer Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Dianne Fulton who has a material personal interest in Resolution 9) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Dianne Fulton's participation because the Shares and Offer Options to be issued to Dianne Fulton, will be issued on the same terms as Shares and Offer Options issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

6.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Placement involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

6.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Participation:

- (a) the Shares and Offer Options will be issued to the Directors (or their nominees);
- (b) the maximum number of Shares and Offer Options to be issued is 23,666,665 Shares and 23,666,665 Offer Options to be issued as follows:
 - (i) 13,333,333 Shares and 13,333,333 Offer Options to Michael Malone (or his nominee)
 - (ii) 6,666,667 Shares and 6,666,667 Offer Options to Meir Moalem (or his nominee);
 - (iii) 1,666,666 Shares and 1,666,666 Offer Options to Yonatan Shrama (or his nominee)
 - (iv) 1,666,666 Shares and 1,666,666 Offer Options to Maya Glickman-Pariente (or her nominee); and
 - (v) 333,333 Shares and 333,333 Offer Options to Dianne Fulton (or her nominee);

- (c) the Shares and Offer Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price of Shares will be \$0.03 per Share, being the same as all other Shares issued under the Placement;
- (e) the Offer Options will be issued for nil cash consideration as they are being issued free attaching to the Shares;
- (f) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (g) the terms and conditions of the Offer Options are set out in Schedule 1 (being the same terms as the Offer Options offered to other participants of the Placement); and
- (h) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in Section 1.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Directors' participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares and Offer Options to the Directors (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

7. RESOLUTION 10 – ADOPTION OF INCENTIVE PERFORMANCE RIGHTS PLAN

Resolution 10 seeks Shareholder approval for the adoption of the employee incentive scheme titled Incentive Performance Rights Plan (**Plan**) in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 10 is passed, the Company will be able to issue Performance Rights under the Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

Shareholders should note that, since the Plan was last adopted, on 1 April 2016, the following Performance Rights have been issued under the Plan:

- (a) 17 February 2017 - 4,050,000 Performance Rights issued to employees of the Company.

The objective of the Plan is to attract, motivate and retain key employees and it is considered by the Company that the adoption of the Plan and the future issue of Performance Rights under the Plan will provide selected employees with the opportunity to participate in the future growth of the Company.

Any future issues of Performance Rights under the Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time. For this reason, the Company is also seeking approval under Resolutions 11 and 12 for the issue of Performance Rights to Michael Malone and Dianne Fulton pursuant to the Plan.

A summary of the key terms and conditions of the Plan is set out in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary (Rachel Kerr). Shareholders are invited to contact the Company if they have any queries or concerns.

8. RESOLUTIONS 11 AND 12 - ISSUE OF RELATED PARTY PERFORMANCE RIGHTS TO MICHAEL MALONE AND DIANNE FULTON

8.1 General

The Company has agreed, subject to obtaining Shareholder approval of Resolutions 10, to issue a total of 68,000,000 Performance Rights (**Related Party Performance Rights**) to Michael Malone (Resolution 11) and Dianne Fulton (Resolution 12) or (their nominees) (**Related Parties**) pursuant to the Performance Rights Plan and on the terms and conditions set out below.

The purpose of the issue of the Related Party Performance Rights to the Related Parties (or their nominees) is to further motivate and reward their performance as Directors in achieving specified performance milestones within a specified performance period. The Board considers the granting of the Related Party Performance Rights to be a cost-effective reward for the Company to make to appropriately incentivise the continued performance of the Related Parties and is consistent with the strategic goals and targets of the Company.

8.2 Chapter 2E of the Corporations Act

A summary of Chapter 2E of the Corporations Act is set out in Section 6.2 above.

The grant of the Related Party Performance Rights constitutes giving a financial benefit and Michael Malone and Dianne Fulton are related parties of the Company by virtue of being Directors.

In addition, ASX Listing Rule 10.14 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

The Directors (other than Michael Malone who has a material personal interest in Resolution 11) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Performance Rights because the agreement to grant the Related Party Options, reached as part of the remuneration package for Michael Malone, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

The Directors (other than Dianne Fulton who has a material personal interest in Resolution 12) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Performance Rights because the agreement to grant the Related Party Options, reached as part of the remuneration package for Dianne Fulton, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

8.3 Technical information required by ASX Listing Rule 10.15

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.15, the following information is provided in relation to the proposed grant of the Related Party Performance Rights:

- (a) the related parties are Michael Malone and Dianne Fulton and they are related parties by virtue of being Directors;
- (b) the maximum number of Related Party Performance Rights (being the nature of the financial benefit being provided) to be granted to the Related Parties is 68,000,000 Related Party Performance Rights comprising:
 - (i) 60,000,000 Related Party Performance Rights to Michael Malone (or his nominee) (Resolution 11) consisting of:
 - (A) 15,000,000 Tranche 1 Performance Rights;
 - (B) 15,000,000 Tranche 2 Performance Rights;
 - (C) 15,000,000 Tranche 3 Performance Rights; and
 - (D) 15,000,000 Tranche 4 Performance Rights;
 - (ii) 8,000,000 Related Party Performance Rights to Dianne Fulton (or her nominee) (Resolution 12) consisting of:
 - (A) 2,000,000 Tranche 1 Performance Rights;
 - (B) 2,000,000 Tranche 2 Performance Rights;
 - (C) 2,000,000 Tranche 3 Performance Rights; and
 - (D) 2,000,000 Tranche 4 Performance Rights;
- (c) the Related Party Performance Rights will be granted for nil cash consideration; accordingly, no funds will be raised;
- (d) the Related Party Performance Rights will be issued with the terms and conditions set out in Schedule 3;
- (e) no persons referred to in Listing Rule 10.14 have received Performance Rights under the Performance Plan since the last approval;
- (f) any full or part time employee, director and casual employee or contractor of the Company is entitled to participate in the Performance Rights Plan, however, at the current time the Company does not intend to make an offer to any other employees. Accordingly, approval is being sought only for the offer to the Related Parties;
- (g) no loan will be provided to the Related Parties with respect to the Related Party Performance Rights; and
- (h) the Related Party Performance Rights will be issued to the Related Parties no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Related Party Performance Rights will be issued on one date.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

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

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

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.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

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

Constitution means the Company's constitution.

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

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Incentive Performance Rights Plan means the Incentive Performance Rights Plan the subject of Resolution 11 as summarised in Schedule 2.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Offer Option means an option to acquire a Share having the terms set out in Schedule 1.

Optionholder means a holder of an Offer Option.

Performance Right means a right to acquire a Share, subject to satisfaction of any vesting conditions, and the corresponding obligation of the Company to provide the Share.

Placement has the meaning given to it in Section 1.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

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

Shareholder means a registered holder of a Share.

Tranche 1 Performance Right means a Performance Right with the vesting conditions set out in Schedule 3(a)(i).

Tranche 2 Performance Right means a Performance Right with the vesting conditions set out in Schedule 3(a)(ii).

Tranche 3 Performance Right means a Performance Right with the vesting conditions set out in Schedule 3(a)(iii).

Tranche 4 Performance Right means a Performance Right with the vesting conditions set out in Schedule 3(a)(iv).

Underwriters means Taylor Collison Limited (ACN 008 172 450) AFSL 247083 and Chieftain Securities Pty Ltd (ACN 608 580 285) AFSL 492850 and **Underwriter** means any one of them.

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

SCHEDULE 1 – TERMS AND CONDITIONS OF OFFER 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.

SCHEDULE 2 – SUMMARY OF PERFORMANCE RIGHTS PLAN

The key terms of the Plan are as follows:

- (a) The Board may, from time to time, in its absolute discretion, make a written offer to any of the following:
- (i) a Director (whether executive or non-executive) of the Company, its subsidiaries and any other related body corporate of the Company (**Group Company**);
 - (ii) a full or part time employee of any Group Company;
 - (iii) a casual employee or contractor of a Group Company to the extent permitted by ASIC Class Order 14/1000 (or any amendment to or replacement of that Class Order) (**Class Order**); or
 - (iv) a prospective participant, being a person to whom the offer to participate in the Plan (**Offer**) is made but who can only accept the Offer if an arrangement has been entered into that will result in the person becoming an Eligible Participant under clauses (a), (b) or (c) above,
- (Eligible Participants).**
- (b) Under the Plan the Board may grant Performance Rights to Eligible Participants with effect from the date determined by the Board, upon the terms set out in the Plan and upon such additional terms and vesting conditions as the Board determines.
- (c) The Board will advise each Eligible Participant of the following minimum information regarding the Performance Rights:
- (i) the maximum number of Performance Rights that the Eligible Participant may apply for, or the formula for determining the number of Performance Rights that may be applied for;
 - (ii) the maximum number of Shares that the Eligible Participant is entitled to be issued on the exercise of each Performance Right or the formula for determining the maximum number of Shares;
 - (iii) any applicable vesting conditions;
 - (iv) when unvested Performance Rights will expire (**Expiry Date**);
 - (v) the date by which an offer must be accepted (**Closing Date**); and
 - (vi) any other information required by law or the ASX Listing Rules or considered by the Board to be relevant to the Performance Rights or the Shares to be issued on exercise of the Performance Rights.
- (d) Subject to clause (h), a Performance Right granted under the Plan will not vest and be exercisable unless the vesting conditions (if any) have been satisfied and the Board has notified the Eligible Participant of that fact.
- (e) The Board must notify an Eligible Participant in writing within 10 Business Days of becoming aware that any vesting conditions attaching to a Performance Right have been satisfied.
- (f) Subject to the Corporations Act, the ASX Listing Rules and the Plan, the Company must issue to the Participant or his or her personal representative (as the case may be) the number of Shares the Participant is entitled to be issued in respect of vested

Performance Rights that are exercised, within 10 business days of the Performance Rights being exercised.

- (g) A Performance Right will lapse upon the earlier to occur of:
- (i) an unauthorised dealing in, or hedging of, the Performance Right occurring, as governed by the Plan;
 - (ii) a vesting condition in relation to the Performance Right is not satisfied by the due date, or becomes incapable of satisfaction, as determined by the Board in its absolute discretion, unless the Board exercises its discretion to vest the Performance Right in accordance with the Plan;
 - (iii) a vested Performance Right is not exercised within the time limit specified in the Plan;
 - (iv) an Eligible Participant (or, where the participant is a nominee of the Eligible Participant, that Eligible Participant) ceases to be an Eligible Participant, unless the Board exercises its discretion to vest the Performance Right in accordance with the Plan;
 - (v) the Board deems that a Performance Right lapses due to fraud, dishonesty or other improper behaviour of the holder/Eligible Participant in accordance with the Plan;
 - (vi) the Company undergoes a change of control or a winding up resolution or order is made, and the Board does not exercise its discretion to vest the Performance Right in accordance with the Plan;
 - (vii) the Expiry Date of the Performance Right; and
 - (viii) the seven (7) year anniversary of the date of grant of the Performance Rights.
- (h) The Board may, in its absolute discretion, by written notice to a participant, resolve to waive any of the vesting conditions applying to the Performance Rights due to:
- (i) a Eligible Participant or, where the participant is a nominee of an Eligible Participant, that Eligible Participant, ceasing to be an Eligible Participant as a result of:
 - (A) death or total or permanent disability; or
 - (B) retirement or redundancy; or
 - (ii) an Eligible Participant or, where the participant is a nominee of an Eligible Participant, that Eligible Participant, suffering severe financial hardship;
 - (iii) the terminal illness of the participant (or Eligible Participant, as applicable) or of an immediate family member of the participant (or Eligible Participant, as applicable);

a change of control occurring or the Company passing a resolution for voluntary winding up, or an order is made for the compulsory winding up of the Company, in which case, a participant (or their personal legal representative where applicable) may exercise any vested Performance Right at any time within one month of the Board notifying that the Performance Right has vested, failing which the Performance Right will lapse, by a signed written notice to the Board specifying the Performance Rights being exercised and providing the certificate for those Performance Rights.

SCHEDULE 3 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS

- (a) **(Vesting Conditions):** The Performance Rights shall vest as follows:
- (i) **Tranche 1 Performance Rights:** the successful launch of the first 50 satellites of its Pearls constellation, and the satellites to achieve operational success;
 - (ii) **Tranche 2 Performance Rights:** upon the Company securing a material financing package totalling A\$50,000,000 as currently planned for the Pearl constellation deployment, and also signing a major telecommunications customer;
 - (iii) **Tranche 3 Performance Rights:** if the Company is successful in the launch of 100 satellites into its Pearls constellation and the satellites achieve operational success; and
 - (iv) **Tranche 4 Performance Rights:** if the Company achieving \$100,000,000 in annual gross revenues.
- (b) **(Vesting):** Upon the relevant Vesting Condition being satisfied, the Company shall notify the holder in writing that the relevant Performance Rights have vested.
- (c) **(Consideration):** The Performance Rights will be issued for nil consideration each and no consideration will be payable upon the vesting of the Performance Rights.
- (d) **(Conversion):** Upon satisfaction of the relevant Performance Rights vesting, each Performance Right will, at the election of the holder, vest and convert into one (1) Share.
- (e) **(Waiver):** The board may waive any vesting conditions applying to Performance Rights due to 'Special Circumstances' arising in relation to the relevant person in respect of those Performance rights. 'Special Circumstances' means:
- (i) a Relevant Person ceasing to be an Eligible Participant due to:
 - (A) death or Total and Permanent Disability of a Relevant Person; or
 - (B) Retirement or Redundancy of a Relevant Person;
 - (ii) a Relevant Person suffering Severe Financial Hardship;
 - (iii) any other circumstance stated to constitute "Special Circumstances" in the terms of the relevant Offer made to and accepted by the Participant; or
 - (iv) (any other circumstances determined by the Board at any time (whether before or after the Offer) and notified to the relevant Participant which circumstances may relate to the Participant, a class of Participant, including the Participant or particular circumstances or class of circumstances applying to the Participant.
- Also, Rule 7.2(b) of the Plan provides that all vesting conditions will be automatically waived in the event of a 'Change in Control' (as defined in the Plan) occurring.
- (f) **(Lapse of a Performance Right):** any Performance Right that has not been converted into a Share within 5 Years of the issue of a Performance Right will automatically lapse.
- (g) **(Lapsing Otherwise):** if the holder (or the effective holder where a nominee has been appointed) of the Performance Right's engagement with the Company (or one of its

subsidiaries) is terminated for whatever reason, any unvested Performance Rights held by that Relevant Holder will automatically lapse.

- (h) **(Share ranking):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (i) **(Listing of Shares on ASX):** The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.
- (j) **(Transfer of Performance Rights):** A Performance Right is only transferable:
 - (i) with the consent of the board; or
 - (ii) by force of law upon death to the holder's legal personal representative.
- (k) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.
- (l) **(Adjustment for bonus issue):** If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the number of Performance Rights to which each holder is entitled, will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the bonus issue.
- (m) **(Adjustment for reconstruction):** If, at any time, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), all rights of a holder of a Performance Right (including the Vesting Conditions) are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reorganisation.
- (n) **(Dividend and Voting Rights):** A Performance Right does not confer upon the holder an entitlement to vote or receive dividends.



Sky and Space Global Limited
ABN 73 117 770 475

SAS
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

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Victoria 3001 Australia

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Proxy Form

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Vote online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



For your vote to be effective it must be received by 3:00pm (WST) Saturday, 6 April 2019

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**



MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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I/We being a member/s of Sky and Space Global Ltd hereby appoint

the Chairman of the Meeting OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Sky and Space Global Ltd to be held at 1202 Hay Street, West Perth, Western Australia on Monday, 8 April 2019 at 3:00pm (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 10, 11 and 12 (except where I/we have indicated a different voting intention below) even though Resolutions 10, 11 and 12 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 10, 11 and 12 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Ratification of prior issue - Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 7	Issue of Director Placement Shares and Offer Options to related party - Yonatan Shrama	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Placement - Approval to issue Tranche 2 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 8	Issue of Director Placement Shares and Offer Options to related party - Maya Glickman-Pariente	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to issue Offer Options to Placement participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 9	Issue of Director Placement Shares and Offer Options to related party - Dianne Fulton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue Shares and Offer Options to Priority Offer participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 10	Adoption of Incentive Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Director Placement Shares and Offer Options to related party - Michael Malone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 11	Issue of Related Party Performance Rights to Michael Malone	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Director Placement Shares and Offer Options to related party - Meir Moalem	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 12	Issue of Related Party Performance Rights to Dianne Fulton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

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