



Sky and Space Global Ltd
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ASX Code: SAS

Financing Update - \$10.8 million non-renounceable entitlement issue and \$5 million placement to provide strong foundation to first revenues

- Sky and Space Global to raise a total of \$15.8 million before costs through proposed non-renounceable entitlement issue and 708 exempt share placement
- Non-renounceable 1:1 entitlement issue to raise \$10,875,071 to all eligible shareholders
- Free attaching options 1 for every 4 shares with an exercise price \$0.015 expiring 31 May 2021
- Placement to raise an additional \$5 million to sophisticated and professional investors on the same pricing and terms as the entitlement issue
- Merchant Corporate Advisory Pty Ltd to act as Lead Manager of the placement and entitlement issue
- Entitlement issue shortfall and placement to be strongly supported by high net worth individuals and institutional investors through Merchant
- Shortfall shares available to be placed post the entitlement issue, with capacity to accept oversubscriptions on the entitlement issue

Sky and Space Global Ltd (ASX: **SAS**, “**Sky and Space Global**” or the “**Company**”) is pleased to announce a non-renounceable entitlement issue to eligible shareholders to raise \$10,875,071 together with a placement to sophisticated and professional investors to raise up to \$5 million (before costs) to fund the launch of the Company’s first eight 6U nanosatellites and execute its business plan to launch commercial services.

Growing demand for satellite IoT, M2M and real-time connectivity by telecommunications providers around the world represent a significant and growing market opportunity, with the total addressable market expected to grow globally to US\$1.4 billion by 2027¹.

On completion of the entitlement issue and placement, SAS will be well-placed to accelerate its global growth strategy as it prepares to launch its first commercial 6U nanosatellites.

Entitlement issue, shortfall and placement to provide strong foundation to first revenues

This entitlement issue and placement will replace the previously announced placement to raise \$15 million (refer ASX release 26 August 2019) and provides all eligible SAS shareholders with the opportunity to invest in the Company and fully participate in the next exciting phase of growth for the Company.

¹ Sources:
Population data, World Bank Data 2018
Cellular coverage %pop, ITU Yearbook of Statistics 2018
Satellite IoT/M2M market value, NSR, M2M and IoT via Satellite, 9th Edition



The non-renounceable entitlement issue will be on a 1:1 basis resulting in the issue of 2,175,014,261 new shares at an issue price of \$0.005 per share to raise \$10,875,071. The entitlement issue will be available to all eligible shareholders as detailed in the prospectus to be released next week. Approximately \$10.875 million (before costs) will be raised via the share issue, together with one free attaching option exercisable at \$0.015, with an expiry date of 31 May 2021 for every four shares subscribed for and issued.

The Company also proposes a placement, on the same terms as the entitlement issue, to sophisticated and professional investors to raise \$5 million through the issue of 1,000,000,000 new shares at an issue price of \$0.005 per share, together with one free attaching option exercisable at \$0.015, with an expiry date of 31 May 2021 for every four shares subscribed for and issued. The placement is subject to approval by shareholders at a general meeting to be held at 1202 Hay Street West Perth WA on Monday 16 December 2019.

The Company has appointed Merchant Corporate Advisory Pty Ltd (**Merchant**) to act as Lead Manager of the placement and entitlement issue. The Company will pay Merchant a fee of 6% (exclusive of goods and services tax) on the total amount raised under the placement and entitlement issue.

The entitlement issue shortfall and placement is to be strongly supported by high net worth individuals and institutional investors, that have been the major supporters of all SAS capital raisings since its ASX listing in 2016.

The Company remains in voluntary suspension and expects the suspension to end once the capital raising is completed, two Australian resident directors are appointed and all ASX requirements are satisfied.

For further information in relation to the entitlement issue the Company will be issuing an entitlement issue prospectus next week and the Company will issue a notice of meeting to shareholders today for further information on the placement.

Meir Moalem, Managing Director states: "During 2019, we have continued to develop our hardware, technology, infrastructure and commercial channels and signed additional future potential customers in preparation for commercialisation. On behalf of SAS, I'd like to express my thanks to shareholders for their ongoing support at this challenging and important time as we move closer to commercialisation of our services."

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About Sky and Space Global Ltd

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

The Company's core business is to operate a communications infrastructure based on nanosatellite technology and develop highly sophisticated software systems that will deploy, maintain orbit control and handle the communication network in space to provide a global coverage. The Company successfully launched its first three nanosatellites, the '3 Diamonds', into space in June 2017 and is preparing for the launch of a constellation of 200 more nanosatellites by 2021.

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

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