

6 September 2016

ASX Code: SAS

Successful Communication Software Tests

Technical validation of proprietary software powering SAS nano-satellite communication

Highlights

- Sky and Space Global has completed a successful demonstration of its proprietary narrowband communications software that will power its nano-satellite space infrastructure
- Software systems testing, performed with the same nano-satellite architecture that will be used in space on the "3 Diamonds", demonstrated the effectiveness of SAS's nano-satellites sending and receiving signals between hardware devices
- Sky and Space Global's proprietary narrowband communications software has been developed by in-house communications industry experts and forms a key IP asset for SAS
- Provides strong technical validation and significantly de-risks the Company's commercial nano-satellite offering, which has the potential to bring data and communications services to billions of people globally

Sky and Space Global Ltd (ASX: **SAS**, "**Sky and Space Global**" or the "**Company**") is pleased to announce that it has passed a critical software development milestone, with the completion of a successful demonstration of its proprietary software that will power the Company's nano-satellite communications space infrastructure.

The tests took place across two inter-connected 'Hardware in the Loop' (HIL) software labs, one located in Poland and one in Israel, and utilised replica hardware aligned with the hardware that will be used on the Company's '3 Diamonds' nano-satellites. Sky and Space Global software team, led by senior software engineers that worked for Ericsson, who has been at the forefront of communications technology for over 100 years and are a leader of the global ICT industry. The Sky and Space team have developed the software architecture to allow standard Voice Over Internet Protocols (VOIP) and data transfer protocols to be used over existing space proven protocols.

The results demonstrated that the Company's network software is able to facilitate voice conversation using three nano-satellites, as well as data transfer using two and three satellites. It demonstrated seamless audio and data transfers between labs, with very positive results.

In addition, and although it was not required, the tests demonstrated seamless Video transfer that maybe utilised in future applications for the SAS network.

The completion of this milestone confirms the effectiveness of the Sky and Space Global's proprietary software system's ability to work in conjunction with the hardware to be used in the Company's '3 Diamonds' nano-satellites, significantly de-risking the Company's pilot phase project.

The intellectual property associated with the software system will be registered in Europe and in the US. Over the coming months, the software will be uploaded to the nano-satellites, as they are constructed, for flight testing and the team will continue to optimise the network software for the full Equatorial constellation of 200 nano-satellites, to commence deployment in 2018.

Sky and Space Global's CEO, Mr. Meir Moalem said:

"The successful completion of a demonstration of the software system set to power our nano-satellites is an important milestone on the journey towards the launch of our '3 Diamonds' nano-satellites in Q2 2017. Testing the system, End to End, with the actual nanosatellite hardware and SAS software, this early in our time line provides not only a level of confidence but also a very strong technical validation of Sky and Space Global's offering, which has the potential to bring voice and data services to billions of people globally. We will keep testing the system in more advanced and demanding scenarios, while also upgrading our software capabilities, working towards deploying our constellation."

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For further information, please contact:

Media

Andrew Ramadge
Media & Capital Partners
P: +61 475 797 471
E: andrew.ramadge@mcpartners.com.au

Sky and Space Global Ltd

Brett Mitchell
Executive Director - Australia
P: +61 8 9389 2000
E: brett@skyandspace.global

About Sky and Space Global Ltd

World Experts and Highly Disruptive Business Plan

Sky and Space Global Ltd owns 100% of Sky and Space Global (UK) Limited, a UK incorporated company with European and Israeli centres of Aerospace, Satellite and Software Industry Experts, plans to deploy nano-satellites constellations in orbit to provide global communication infrastructure and services to the telecommunications and international transport industries.

The Company is now fully funded beyond the Q2 2017 launch of its "3 diamonds" pilot network with the Indian Space Research Organization, following the completion of the Company's recent oversubscribed \$4.5 million fund raising.

The core Sky and Space Global business is to construct a communications infrastructure based on nano-satellite technology and develop the highly complex and sophisticated software systems that will deploy, maintain orbit control and handle communication code between each of the nano-satellites to give a global coverage.

Sky and Space Global aims to provide low cost, nano-satellite communication coverage on an anywhere to everywhere base with relatively low maintenance costs. Due to the experience and expertise of the founders in the aerospace industry, the business will be able to develop with inherent upgrading capabilities within short intervals, utilising their unique IP-nan sat software protocols.