



Sky and Space Global Ltd
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ASX Code: SAS

Company Update

Highlights

- GomSpace, the company delivering Sky and Space's full constellation of nanosatellites has successfully completed a rights issue raising approximately SEK 251 million (approx. AU\$38 million)
- New launch milestone reached by Virgin Orbit, the small satellite launch service company that will be launching the Pearls Satellites
- Launch and in-orbit asset insurance procurement including third party liability well progressed, on track to be completed and in place by February 2019
- Research and Development rebate received of approximately AU\$870,000

Sky and Space Global Ltd (**ASX: SAS, "Sky and Space Global" or "the Company"**) is pleased to provide the following update on a number of recent operational and market developments.

GomSpace Rights Issue

GomSpace, the company delivering Sky and Space's full constellation of nanosatellites and listed on the Nasdaq First North Premier Exchange (ticker: GOMX) has successfully completed a rights issue raising approximately SEK 251 million (approx. AU\$38 million). GomSpace are on track and now in a very strong financial position following this raising, to complete the SAS Pearl construction over 2019 and 2020.

Virgin Orbit Update

Significant progress has been made by Virgin Orbit, who will be delivering the first launch of Pearls Satellites. Virgin Orbit sits within the Virgin Group and plans to provide launch services for small satellites. The company was formed in 2017 to develop the LauncherOne rocket, to be launched from Cosmic Girl (a Boeing 747-400 aircraft) in early 2019.

Virgin Orbit continues to test the launcher having, on November 18th, completed the first flight of a captive carry test flight campaign, with a launch rocket tucked under its wing, piloting Cosmic Girl to real-mission altitude at 35,000 ft and clocking in speeds around Mach 0.9 (700 miles per hour). Virgin Orbit CEO Dan Hart described it as "a picture-perfect flight, and big step forward for our program." This is a significant milestone towards their planned first launch of the Pearls Satellites also.

Commenting on the VO update, Sky and Space Global's Managing Director and CEO, Mr. Meir Moalem said:

"We are very pleased with the progress Virgin Orbit are making towards their first launch. Completing the second leg of the captive carry test flight campaign is an important milestone and positions them well to complete their first orbital launch soon."

Insurance

Sky and Space are currently in the process of procuring pre-launch, transportation, launch and in-orbit asset and operations insurance for the Pearls constellation. This insurance, including TPL (third party liability) will protect against the loss of, damage to or failure of the satellites. This ensures the in-orbit operations and future revenues associated with those satellites are fully protected. A diligent and detailed approach to the preparation phase of the insurance procurement has been undertaken, with the coverage design now in its final phase and expected to have the asset insurance placement completed by February 2019.

R&D Rebate

Sky and Space received a rebate of GBP497,171 from HMRC, the UK tax authority, in relation to the R&D tax claim submitted by the UK company for the year to 30 June 2018. Specifically, it relates to certain proportions of costs incurred by the Polish subsidiary of the Company and a number of consultants of the UK company, amongst other qualifying costs. The rebate translates to approximately A\$870,000 and compares favourably to the estimate disclosed in the 2018 annual report of A\$700,000.

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About Sky and Space Global Ltd

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

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

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

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