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NEWSAT SIGNS JABIRU-1 SATELLITE MANUFACTURER CONTRACT WITH LOCKHEED MARTIN

- **Satellite purchase contract with Lockheed Martin**
- **Satellite construction to commence immediately and is scheduled to launch in 2014**
- **Jabiru-1 satellite to provide high-powered Ka-band capacity to enterprise and government customers across the Middle East, Africa and Asia**

NewSat Limited (ASX: NWT; OTC: NWTLY), Australia's satellite company, announced today that as the next stage in the Jabiru satellite project, it has entered into a contract with Lockheed Martin Commercial Space Systems for the construction of the Jabiru-1 satellite.

Jabiru-1 will incorporate an advanced Ka-band payload which will provide high-powered satellite coverage across growth regions over the Middle East, Africa and Asia. The large Jabiru-1 spacecraft will utilise Lockheed Martin's proven A2100 series spacecraft and is designed for an in-orbit life of 15 years.

Jabiru-1 will provide greater than 7 GHz of Ka-band capacity and features significant options in allocating the capacity among a combination of high-powered beams. The agreement with Lockheed Martin gives considerable flexibility with respect to the capacity of the satellite, which can be adjusted to meet NewSat's final requirements. The financial terms of the agreement are confidential and cannot be released at this date.

The construction of the Jabiru-1 satellite will commence immediately and is scheduled for launch in the second half of 2014. Jabiru-1 will provide high-bandwidth communication services to government and enterprise markets including mining, oil, gas, media and carrier-grade telecommunications, across countries such as Afghanistan, Iraq, Pakistan, Saudi Arabia, Somalia and India.

NewSat is being advised on the Jabiru-1 project by ArgoSat Advisors.

In commenting on the satellite manufacturer contract with Lockheed Martin Commercial Space Systems, Adrian Ballintine, NewSat Founder and CEO said:

"Lockheed Martin is a world leader in defence and commercial space manufacturing. NewSat is delighted to award the contract to a trusted and important global player, who will support the deployment of Australia's first independently owned commercial satellite."

"NewSat has made an initial payment and will continue to make the required milestone payments under the contract. In anticipation of the condition in the Lockheed Martin contract that financing be completed by the end of the fiscal year 2012, we lodged our applications earlier this year with export credit agencies U.S. Ex-Im Bank and Coface. Lockheed Martin actively supported our application when lodged and will continue to work with us in our activities with the U.S. Ex-Im Bank till conclusion."

"The signing of this contract, and the immediate start to construction of Jabiru-1, is another major milestone and follows the recently announced cornerstone customer contracts totalling US\$279 million. With the satellite manufacturer secured and significant customer contracts signed, NewSat is moving closer to launching Jabiru-1 and the realisation of our strategy to become a global satellite operator. Jabiru-1 is the first of our fleet of next generation Ka-band satellites which will lead Australia's space quest."

NewSat Limited

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In commenting on the satellite manufacturing contract with NewSat, Joseph Rickers, Lockheed Martin Commercial Space Systems President said:

“Lockheed Martin is excited to join NewSat on the Jabiru-1 project, Australia’s first independently owned commercial satellite. NewSat is a highly acclaimed Teleport operator, providing mission critical satellite communications to governments around the world, remote mine sites and underprivileged communities. We look forward to bringing the extensive resources of Lockheed Martin to ensure success for the Jabiru-1 project. Lockheed Martin’s flexible and powerful A2100 satellite architecture is ideally suited for the Jabiru-1 mission, helping NewSat achieve their business objectives as a satellite operator.”

About NewSat Limited:

NewSat Limited (ASX: NWT; OTC: NWTLY) is Australia’s largest specialist satellite communications company, delivering Internet, voice, data and video communications via satellite. With its unique-to-Australia Teleport infrastructure, NewSat provides a full range of managed satellite communication services and has established a reputation as the partner of choice for governments, corporations and private enterprises. Today, NewSat has the ability to provide coverage to 75% of the globe; from Australia, Asia, the Middle East, Africa, across the Indian Ocean extending into Europe and across the Pacific Ocean, reaching into the West coast of the USA.

NewSat’s world acclaimed Teleports in Perth (Western Australia) and Adelaide (South Australia) were finalists in the World Teleport Association’s Awards for Excellence in 2010. Both Teleports are accredited to supply services to the Australian Department of Defence (DRSS) and are recognised as highly secure Global Access Points, supporting certified classified networks to ensure the transmission of vital and sensitive information for government clients.

NewSat will be expanding its satellite capabilities with the Jabiru Satellite Program, beginning with the launch and operation of Jabiru-1, Australia’s first independently owned commercial satellite. Jabiru-1, a large Ka-band next generation satellite, will provide superior coverage over South East Asia, the Middle East and North Africa. Jabiru-2, also scheduled, will deliver enhanced coverage in and around Australia. NewSat has rights to seven premium orbital slots and its fleet of next generation geostationary satellites will lead Australia’s space quest. For more information please visit www.newsat.com

About Jabiru Satellite Program:

Jabiru-1 is NewSat’s first geostationary communications satellite which will provide high-powered satellite capacity to high value customers in the military, defence and government markets as well as other enterprise segments such as resources. NewSat already serves many of these customers from its world recognised Teleport facilities and the vertical integration of owning a satellite will dramatically increase NewSat’s ability to secure large capacity contracts and significantly increase EBITDA margins. NewSat has rights to seven premium orbital slots, which provides significant growth opportunity above and beyond Jabiru-1. All contracts are subject to the successful launch of the satellite and NewSat completing the required credit checks.

About ArgoSat Advisors:

With offices in New York and Washington D.C., ArgoSat provides clients with dedicated expert advisory services in many areas of the commercial satellite industry, including M&A and joint venture discussions, strategic business development, project financing, satellite and launch service procurement support and program monitoring and management. For additional information please visit www.argosat.com



About Lockheed Martin:

Headquartered in Bethesda, Md., Lockheed Martin (NYSE: LMT) is a global security company that employs about 126,000 people worldwide and is principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services. The Corporation's 2010 sales from continuing operations were \$45.8 billion. For more information please visit www.lockheedmartin.com

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