



Sky and Space Global Ltd
ABN 73 117 770 475

1202 Hay Street
WEST PERTH WA 6005

P: +61 8 6556 2400
W: skyandspace.global

13 November 2019

Dear Shareholder

SKY AND SPACE GLOBAL LTD - PRO-RATA NON-RENOUNCEABLE ENTITLEMENT ISSUE

As announced on 8 November 2019, Sky and Space Global Ltd (ACN 117 770 475) (**SAS** or **Company**) is undertaking a pro rata non-renounceable entitlement issue at a ratio of 1 Share for every 1 Share held (together with 1 free attaching option for every 4 Shares subscribed for and issued (**New Option**)) (**Entitlement Issue** or **Entitlement Offer**) of up to 2,175,014,261 fully paid ordinary shares (**New Shares**) to raise approximately \$10,875,071. The price of New Shares under the Entitlement Offer is \$0.005 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 11 November 2019.

In addition to the Entitlement Offer, the Prospectus also contains an offer of up to 1,000,000,000 Shares at an issue price of \$0.005 and up to 250,000,000 free-attaching New Options, subject to receipt of Shareholder approval (**Placement Offer**) (together with the Entitlement Offer, the **Offers**). The Company has engaged Merchant Corporate Advisory Pty Ltd (**Lead Manager**) to be lead manager of the Offers. The fees to be paid to the Lead Manager in respect of the Offers are set out in section 9.4 of the Prospectus.

The funds raised from the Offers are planned to be used towards manufacture of satellites, launch of satellites, operational costs, expenses of the Offers and corporate and working capital.

The Entitlement Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5:00 pm (WST) on 15 November 2019, whose registered address is in Australia, New Zealand, Singapore, Israel, China, the United Kingdom, the United States of America (in relation to institutional "accredited investors" only) or Hong Kong.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue. New Options issued under the Offers will be exercisable at \$0.015 on or before 31 May 2021 and will otherwise be on the terms and conditions set out in the Prospectus.

Following completion of the Offers, the Company will have issued approximately 3,175,014,261 New Shares (2,175,014,261 as a result of the Entitlement Offer) resulting in total Shares on issue of approximately 5,350,028,522 and 793,753,565 New Options (543,753,565 as a result of the Entitlement Offer) resulting in total Options on issue of approximately 1,122,828,698.

A copy of the Prospectus is available on ASX's and the Company's website. Eligible Shareholders will receive their Entitlement and Acceptance form and the Prospectus via email or post based on their shareholder communication preferences, this will be sent out no later than 5:00pm AEDT (2:00pm WST) on 19 November 2019. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Offer (**Entitlement**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Computershare Investor Services Pty Limited (**Share Registry**) by no later than 5:00pm AEDT (2:00pm WST) on Friday, 29 November 2019, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.

- You may wish to accept your full Entitlement and apply for additional New Shares (which will be issued at the sole discretion of the Company, scaled back to the extent required and not issued to the extent that any Applicant will increase their holding to an amount in excess of 19.99% of all Shares on issue at completion of the Entitlement Offer). To take up all of your Entitlement and apply for additional New Shares you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 5:00pm AEDT (2:00pm WST) on Friday, 29 November 2019, by completing and returning your Entitlement and Acceptance Form by filling in the number of additional New Shares you wish to apply for in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.005 per New Share).
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 5:00pm AEDT (2:00pm WST) on Friday, 29 November 2019, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies OR making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.005 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key dates for the Entitlement Offer

| Event | Proposed Date |
|--|-----------------------------|
| Prospectus and Appendix 3B lodged with ASX Notification sent to option holders | Monday, 11 November 2019 |
| Notice of Entitlement Issue sent to Shareholders | Wednesday, 13 November 2019 |
| Ex date | Thursday, 14 November 2019 |
| Record date | Friday, 15 November 2019 |
| Despatch of Entitlement Issue Documents to Eligible Shareholders Entitlement Offer Period Opens | Tuesday, 19 November 2019 |
| Entitlement Offer Period Closes | Friday, 29 November 2019 |
| Securities quoted on a deferred settlement basis. | Monday, 2 December 2019 |
| Notification of under-subscriptions to ASX (if any) | Tuesday, 3 December 2019 |
| Entitlement Offer Issue Date | Thursday, 5 December 2019 |
| Quotation of Securities issued under the Entitlement Offer | Friday, 6 December 2019 |

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Securities are expected to commence trading on ASX may vary.

If you have any queries concerning the Entitlement Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Rachel Kerr, Company Secretary, on +61 8 6556 2400.

Yours sincerely

Rachel Kerr
Company Secretary