



**SKY AND SPACE GLOBAL LTD
ACN 117 770 475**

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of 1 Share for every 1 Share held by those Shareholders registered at the Record Date at an issue price of \$0.005 per Share to raise up to \$10,875,071 (based on the number of Shares on issue as at the date of this Prospectus) (together with 1 free attaching Option for every 4 Shares subscribed for and issued (**New Option**)) (**Entitlement Offer**).

This Prospectus also contains an offer of up to 1,000,000,000 Shares at an issue price of \$0.005 together with up to 250,000,000 free-attaching New Options, to raise up to \$5,000,000, subject to receipt of Shareholder approval (**Placement Offer**).

Merchant Corporate Advisory Pty Ltd has been engaged to act as Lead Manager to the Offers. Refer to Section 9.4 for details of the Lead Manager Mandate.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Mr Meir Moalem
CEO & Managing Director

Mrs Maya Glickman-Pariente
Non-Executive Director

Mr Yonatan Shrama
Non-Executive Director

Company Secretary

Mrs Rachel Kerr

Share Registry*

Computershare Investor Services Pty
Limited
Level 11
172 St Georges Terrace
PERTH WA 6000

Registered Office

1202 Hay Street
WEST PERTH WA 6005

Telephone: +61 8 6556 2400
Website: www.skyandspace.global
Email: info@sasglobal.com.au

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager

Merchant Corporate Advisory Pty Ltd
Level 3, 101 St Georges Terrace
PERTH WA 6000

Auditors*

KPMG
Level 38, Tower Three
International Towers Sydney
300 Barangaroo Avenue
SYDNEY NSW 2000

* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

2. TIMETABLE

Lodgement of Prospectus with the ASIC	Monday, 11 November 2019
Lodgement of Prospectus & Appendix 3B with ASX	Monday, 11 November 2019
Notice sent to Optionholders	Monday, 11 November 2019
Notice sent to Shareholders	Wednesday, 13 November 2019
Ex date	Thursday, 14 November 2019
Record Date for determining Entitlements	Friday, 15 November 2019
Prospectus despatched to Shareholders & Company announces despatch has been completed	Tuesday, 19 November 2019
Last day to extend the Closing Date of the Entitlement Offer	Tuesday, 26 November 2019
Closing Date of the Entitlement Offer*	Friday, 29 November 2019
Securities quoted on a deferred settlement basis	Monday, 2 December 2019
ASX notified of under subscriptions	Tuesday, 3 December 2019
Issue date (Entitlement Offer)	Thursday, 5 December 2019
Quotation of Securities issued under the Entitlement Offer*	Friday, 6 December 2019
Issue date (Placement Offer)	On or around 20 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.

3. IMPORTANT NOTES

This Prospectus is dated 11 November 2019 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form, Shortfall Application Form, Additional Offer Application Form or Placement Offer Application Form (as the case may be).

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 8. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

In particular, existing eligible Shareholders should note that the Entitlement Offer is unconditional and has no minimum subscription. Shareholders wishing to take up their Entitlement should therefore note that there is a risk that they may be the only investors in the Entitlement Offer and it is **highly unlikely** that the Company will be able to execute its business objectives in full unless at least \$15,000,000 is raised under the Entitlement Offer and Placement Offer.

The Company is reliant on the support of Shareholders taking up their Entitlement under the Entitlement Offer, and the Placement completing, in order to raise the funds required to meet the Company's business objectives.

In Section 6.1 of this Prospectus there is disclosure about the likely outcomes for the Company based on defined fundraisings levels. Shareholders should read this information carefully before making any investment decision.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 8.

4. MANAGING DIRECTOR'S LETTER

Dear Shareholders

On behalf of the Board of Directors, I would like to express my sincere gratitude for your continued support of Sky and Space Global Ltd since listing in 2016.

SAS is now on the cusp of commercialisation, supported by a revised business strategy that significantly extends the commercial opportunity for SAS through the extension of its initially planned Equatorial coverage constellation to a Global one.

Recent months have been challenging; however, the Company has been working hard on all fronts to advance our technology, software and commercial traction. With over 50 potential future customers already signed for future services and a strong distribution network of partners and resellers, the Company is embarking on this next phase with a clear pathway towards the launch of our first batch of 6U nanosatellites in 2020 and the goal of generating first commercial revenues.

With your support, and upon completion of the Entitlement Offer and the Placement Offer, the Company will be in a position to resume the required activities to achieve commercialisation: manufacturing and launch of satellites, negotiation of launch contracts, ground terminals manufacturing, negotiation of ground station contracts, setting up an operation centre with satellite operators and network engineers and other complementary activities – all with one goal: generating revenues.

The Company is pleased to be able to offer eligible Shareholders the opportunity to participate in this Entitlement Offer in order to support the Company's continuing efforts towards commercialisation. The Company is reliant on the support of Shareholders taking up their Entitlement, and the Placement completing, in order to raise the funds required to meet the Company's business objectives. To this end, Section 6.1 of this Prospectus includes disclosure about the likely outcomes for the Company based on defined fundraisings levels. Please read this information carefully before making any investment decision.

In addition, Merchant Corporate Advisory Pty Ltd is acting as Lead Manager to the Offers, and has confirmed that it has built a soft book of investors to take up Shortfall that may arise under the Entitlement Offer and to subscribe for Shares under the Placement Offer on a best endeavour's basis subject to certain terms and conditions, including total firm commitments and applications for securities under the Entitlement Offer and the Placement being a minimum of \$15,875,071. In light of this, the Company has a relatively high degree of confidence that the capital raisings will be successful.

The Board of Directors and myself are dedicated to the ongoing development and growth of the Company's operations. It is my intent to participate in this Entitlement Issue and, like yourself, continue to support the Company and its business strategy.

Yours sincerely



Meir Moalem
Managing Director

5. DETAILS OF THE OFFERS

5.1 Entitlement Offer

The Entitlement Offer is being made as a non-renounceable entitlement issue of 1 Share for every 1 Share held by Shareholders registered at the Record Date at an issue price of \$0.005 per Share (together with 1 free attaching New Option for every 4 Shares subscribed for and issued). Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, (and assuming no existing Options are exercised prior to the Record Date) a maximum of 2,175,014,261 Shares and 543,753,565 New Options will be issued pursuant to this Entitlement Offer to raise up to \$10,875,071. No funds will be raised from the issue of the New Options.

As at the date of this Prospectus, the Company has 329,075,133 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 6.4 for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 7 for further information regarding the rights and liabilities attaching to the Shares.

All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 7.2.

All Shares issued on conversion of the New Options will rank equally with the Shares on issue at the date of this Prospectus.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 6.1.

5.2 Placement Offer

The Company also intends to complete a placement of 1,000,000,000 Shares at an issue price of \$0.005 per Share and up to 250,000,000 free-attaching New Options to raise up to \$5,000,000, subject to the receipt of Shareholder approval at the General Meeting (**Placement Offer**).

The Placement Offer will only be extended to specific parties. Application forms will only be provided by the Company to these parties.

The Company notes that it currently has the ability to issue up to 326,252,139 equity securities under its ASX Listing Rule 7.1 placement capacity. The Company reserves the right to issue additional securities under its current ASX Listing Rule 7.1 placement capacity if there is additional demand for the Placement Offer.

The Shares offered under the Placement Offer will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 7 for further information regarding the rights and liabilities attaching to the Shares.

The New Options offered under the Placement Offer will be issued on the terms and conditions set out in Section 7.2.

5.3 Minimum subscription

There is no minimum subscription. As there is no minimum subscription under the Entitlement Offer, Shareholders are referred to the risk factor in Section 8.2.

5.4 Acceptance

Entitlement Offer Applications

Your acceptance of the Entitlement Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Entitlement Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form; and
 - (ii) attach 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 arrange payment by BPAY®; or
- (b) if you wish to accept your **full** Entitlement **and apply for additional 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 Offer):
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided;
 - (ii) fill in the number of Shares you wish to apply for over and above your Entitlement in the space provided on the Entitlement and Acceptance Form; and
 - (iii) attach your cheque or arrange payment by BPAY® for the appropriate Application monies (at \$0.005 per Share); or
- (c) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, or arrange payment by BPAY®, for the appropriate application monies (at \$0.005 per Share); or
- (d) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

As there is no minimum subscription under the Entitlement Offer, Shareholders are referred to the risk factor in Section 8.2.

Placement Offer Applications

Applications for Shares and New Options under the Placement Offer must be made by investors using the Placement Offer Application Form accompanying this Prospectus. The Placement Offer is subject to receipt of Shareholder approval at the General Meeting.

By completing a Placement Offer Application Form, applicants will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Placement Offer Application Form together with a complete and unaltered copy of the Prospectus.

The Company reserves the right to close the Placement Offer early.

5.5 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to “**Sky and Space Global Ltd**” and crossed “**Not Negotiable**”.

Your completed Entitlement and Acceptance Form and cheque must reach the Company’s share registry no later than 5:00pm AEDT (2:00pm WST) on the Closing Date.

5.6 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 5:00pm AEDT (2:00pm WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

1 New Option with an exercise price of \$0.015 expiring on or before 31 May 2021 will be issued for every 4 Shares subscribed for and issued under the Offers.

5.7 Underwriting

The Offer is not underwritten.

5.8 Effect on control of the Company

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders assuming no New Options have been exercised is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Entitlement Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	0.46%	10,000,000	10,000,000	0.23%
Shareholder 2	5,000,000	0.23%	5,000,000	5,000,000	0.11%
Shareholder 3	1,500,000	0.07%	1,500,000	1,500,000	0.03%
Shareholder 4	400,000	0.02%	400,000	400,000	0.01%
Shareholder 5	50,000	0.00%	50,000	50,000	0.00%
Total	2,175,014,261		2,175,014,261		4,350,028,522

Note:

- The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

Shareholders should also note the effect on the control of the Company arising from completion of the Entitlement Offer and Placement Offer in relation to the following, current substantial Shareholders (assuming that none of them participate in the Entitlement Offer or Placement Offer):

Completion (and full subscription) of the Entitlement Offer only:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Entitlement Offer not taken Up	% post Entitlement Offer
Meir Moalem	325,666,667	14.97%	325,666,667	325,666,667	7.49%
Meidad Pariente	319,666,666	14.70%	319,666,666	319,666,666	7.35%
Yonatan Shrama	318,666,666	14.65%	318,666,666	318,666,666	7.33%
Total	963,999,999	44.32%	963,999,999	963,999,999	22.17%

Completion (and full subscription) of the Entitlement Offer and the Placement Offer:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Entitlement Offer not taken up	% post Entitlement Offer and Placement Offer
Meir Moalem	325,666,667	14.97%	325,666,667	325,666,667	6.08%
Meidad Pariente	319,666,666	14.70%	319,666,666	319,666,666	5.98%
Yonatan Shrama	318,666,666	14.65%	318,666,666	318,666,666	5.96%
Total	963,999,999	44.32%	963,999,999	963,999,999	18.02%

5.9 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.005 being the price at which Shares have been offered under the Offer.

The Directors reserve the right to issue Shortfall Securities at their absolute discretion.

5.10 Lead Manager

Merchant Corporate Advisory (**Lead Manager**) has been appointed as Lead Manager to the Offers. The terms of the appointment of the Lead Manager are summarised in Section 9.4.

Merchant Corporate Advisory has confirmed that it has built a soft book of investors to take up Shortfall that may arise under the Entitlement Offer and to subscribe for Shares under the Placement Offer on a best endeavours basis subject to certain terms and conditions, including total firm commitments and applications for securities under the Entitlement Offer and the Placement being a minimum of \$15,875,071.

5.11 ASX listing

Application for Official Quotation of the Securities offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Securities offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

5.12 Issue

Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Securities issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

5.13 Overseas shareholders

This Prospectus does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

Accordingly, the Offers are not being extended and Shares and Options will not be issued to investors with a registered address which is outside Australia, New Zealand, Singapore, Israel, China, the United Kingdom, the United States of America (in relation to institutional "accredited investors" only) or Hong Kong.

Applicants resident outside of Australia are responsible for ensuring that taking up any of the Offers does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Application Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Singapore

This document and any other materials relating to the New Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Securities, may not be issued, circulated or distributed, nor may the New Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's securities, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Securities have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Securities may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the Securities.

This document is issued on a confidential basis to fewer than 150 persons (other than "qualified investors" (within the meaning of section 86(7) of FSMA)) in the United Kingdom, and the Securities may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 FSMA) received in connection with the issue or sale of the Securities has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who fall within Article 43 (members or creditors of certain bodies corporate) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended, or (ii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

China

The information in this document does not constitute a public offer of the Securities, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The Securities may not be offered or sold directly or indirectly in the People's Republic of China to legal or natural persons other than directly to "qualified domestic institutional investors".

Israel

The Company does not intend to offer the Securities to the public in Israel within the meaning of the Israeli Securities Law, 1968, or offer Securities, within any specific year, to more than 35 offerees resident in Israel. The New Securities have not been approved or disapproved by the Israeli Securities Authority (the **ISA**), nor have such Securities been registered for sale in Israel. The Securities may not be offered or sold, directly or indirectly, to the public in Israel, absent the publication of a prospectus. The ISA has not issued permits, approvals or licenses in connection with the offering or publishing of this document; nor has it authenticated the details included herein, confirmed their reliability or completeness, or rendered an opinion as to the quality of the Securities being offered. Any resale in Israel, directly or indirectly, to the public of the Securities offered by this document is subject to restrictions on transferability and must be effected only in compliance with the Israeli securities laws and regulations.

United States of America

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. In particular, this document may only be distributed by the Company in the United States to institutional "accredited investors" within the meaning of Rule 501(a)(1), (2), (3) or (7) under the US Securities Act of 1933.

5.14 Enquiries

Any questions concerning the Offers should be directed to Ms Rachel Kerr, Company Secretary, on +61 8 6556 2400.

6. PURPOSE AND EFFECT OF THE OFFERS

6.1 Purpose of the Offers

The purpose of the Entitlement Offer is to raise up to \$10,875,071. No funds will be raised from the issue of the New Options.

The primary purpose of the Placement Offer is to raise up to a further \$5,000,000 (before costs). No funds will be raised from the issue of the New Options.

The funds raised from the Entitlement Offer and the Placement Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offers	Full Subscription under the Entitlement Offer ⁽¹⁾ (\$)	%	Full Subscription under the Offers ⁽²⁾ (\$)	%
1.	Manufacture of Satellites	3,176,000	29.2	4,764,000	30.0
2.	Launch of Satellites	1,474,000	13.5	2,211,000	13.9
3.	Operational Costs	2,639,000	24.3	3,958,000	24.9
4.	Expenses of the Offer ⁽³⁾	717,333	6.6	1,037,333	6.6
5.	Corporate and Working capital	2,868,738	26.4	3,904,738	24.6
	Total	10,875,071	100	15,875,071	100

Notes:

1. Based on full subscription under the Entitlement Offer.
2. Based on full subscription under the Entitlement Offer and Placement Offer.
3. Refer to Section 9.8 for further details relating to the estimated expenses of the Offers.

As there is no minimum subscription for the Entitlement Offer (and the Entitlement Offer is not conditional on the Placement Offer raising any funds), the Company will accept all funds received under the Entitlement Offer. If less than the full subscription is raised under the Entitlement Offer and the Placement Offer, the Company intends to apply the funds raised as follows:

- (a) the first \$64,829 will be applied towards Expenses of the Offers;
- (b) thereafter, the funds raised will be applied as follows:
 - (i) in the event total funds raised under the Offers exceed \$12,000,000, the Company will continue with the proposed business plan with the following amendments:
 - (A) manufacture and launch 4 satellites saving on cost of satellites and launch;
 - (B) limit operational costs for satellites manufacture, launch and operations related activities and vendors;
 - (C) perform additional cost reductions in relation to working capital requirements where applicable; and
 - (D) seek additional funding (through grants, debt, equity etc) to revert to the proposed business plan;

- (ii) in the event that total funds raised under the Offers are between \$6,000,000 and \$12,000,000, the Company will scale back the proposed business plan with at least the following amendments:
 - (A) manufacture and launch 1-2 satellites, saving on cost of satellites and launch;
 - (B) limit operational costs for satellites manufacture, launch and operations related activities and vendors;
 - (C) seek additional funding (through grants, debt, equity etc) to revert to the proposed business plan; and
 - (D) perform additional cost reductions in relation to working capital requirements, including scaling back personnel to skeletal mode where appropriate; and
- (iii) in the event total funds raised under the Offer is less than \$6,000,000, the Company will postpone its proposed business plan and will:
 - (A) enter skeletal mode of operations until funding to execute the Company's business plan is secured;
 - (B) defer manufacturing and launch of satellites, saving total costs of satellites and launch; and
 - (C) seek additional funding (through grants, debt, equity etc) to revert to the Company's proposed business plan.

The Board notes that the Company is constantly in the process of seeking additional funding opportunities through grants. Such grants were not included in the use of funds.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

6.2 Effect of the Offers

The principal effect of the Offers, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by \$14,837,738 (after deducting the estimated expenses of the Offers) immediately after completion of the Entitlement Offer and the Placement Offer;
- (b) increase the number of Shares on issue from 2,175,014,261 as at the date of this Prospectus to 5,350,028,522 Shares following completion of the Entitlement Offer and the Placement Offer; and
- (c) increase the number of Options on issue from 329,075,133 as at the date of this Prospectus to 1,122,828,698 Options following completion of the Entitlement Offer and the Placement Offer.

6.3 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2019 and the unaudited pro-forma balance sheet as at 30 June 2019 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, and the Placement Offer is completed, no Options are exercised prior to the Record Date and including expenses of the Offers.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 30 June 2019	PROFORMA 30 June 2019
CURRENT ASSETS		
Cash ¹	1,935,055	16,772,793
Other current assets	3,044,702	3,044,702
TOTAL CURRENT ASSETS	4,979,757	19,817,495
NON-CURRENT ASSETS		
Plant and equipment	10,308,557	10,308,557
Intangible assets	13,914,803	13,914,803
TOTAL NON-CURRENT ASSETS	24,223,360	24,223,360
TOTAL ASSETS	29,203,117	44,040,855
CURRENT LIABILITIES		
Trade and other payables	1,470,450	1,470,450
Interest-bearing loans and borrowings	1,570,152	1,570,152
Current tax liabilities	115,950	115,950
Employee benefits	70,236	70,236
TOTAL CURRENT LIABILITIES	3,226,788	3,226,788
TOTAL LIABILITIES	3,226,788	3,226,788
NET ASSETS (LIABILITIES)	25,976,329	40,814,067
EQUITY		
Share capital	61,078,478	75,916,216
Foreign currency translation reserve	129,848	129,848
Accumulated losses	(35,273,844)	(35,273,844)
Equity attributable to equity holders of the parent	25,934,482	40,772,220
Non-controlling interest	41,847	41,847
TOTAL EQUITY	25,976,329	40,814,067

Notes:

1. It is expected that the Company's auditors will issue a qualified audit opinion in their audit report. The qualification relates to the auditors being unable to determine whether any impairment adjustments may be necessary in respect of the carrying value of intangible assets and plant & equipment at 30 June 2019. Except for the impairment qualification, the financial report will give a true and fair view of the Company's financial position at 30 June 2019 and of its financial performance for the year ended on that date.

2. If less than \$15,875,071 is raised (being the full subscription under the Offers), the Company's cash, total assets, net assets and share capital as set out in the pro-forma will all reduce proportionate to the actual amount raised. To the extent that full subscription under the Offers is not reached, the expenses of the Offers will also decrease proportionately.

6.4 Effect on capital structure

The effect of the Offers on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

Shares

Shares	Number
Shares currently on issue	2,175,014,261
Shares offered under the Entitlement Offer (including the Shortfall Offer)	2,175,014,261
Maximum number of Shares to be issued under the Placement Offer	1,000,000,000
Total Shares on issue on completion of the Offers	5,350,028,522

Options

	Number
Options currently on issue: (Quoted exercisable at \$0.05 on or before 21 May 2022)	329,075,133
New Options offered pursuant to the Entitlement Offer (Quoted exercisable at \$0.015 on or before 31 May 2021)	543,753,565
Maximum New Options to be issued under the Placement Offer: (Quoted exercisable at \$0.015 on or before 31 May 2021)	250,000,000
Total Options on issue after completion of the Offers	1,122,828,698

The capital structure on a fully diluted basis as at the date of this Prospectus would be 2,504,089,394 Shares and on completion of the Offers (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 6,472,857,220 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

6.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Mr Meir Moalem	325,666,667	14.97
Mr Meidad Pariente	319,666,666	14.70
Mr Yonatan Shrama	318,666,666	14.65

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offers. However, refer to the potential control effects of the Offers set out in Section 5.9 above.

7. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

7.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

7.2 New Options

(a) **Entitlement**

Each New Option entitles the holder to subscribe for one Share upon exercise of the New Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each New Option will be \$0.015 (**Exercise Price**).

(c) **Expiry Date**

Each New Option will expire at 5:00 pm (WST) on 31 May 2021 (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The New Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the New Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy

section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the New Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the New Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the New Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.

(k) **Change in exercise price**

A New Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.

(l) **Transferability**

The New Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

8. RISK FACTORS

8.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

8.2 Existing Shareholders' participation in the Entitlement Offer

Existing eligible Shareholders should note that the Entitlement Offer is unconditional and has no minimum subscription. Shareholders wishing to take up their Entitlement should therefore note that there is a risk that they may be the only investors in the Entitlement Offer and it is **highly unlikely** that the Company will be able to execute its business objectives in full unless at least \$15,000,000 is raised under the Entitlement Offer and Placement Offer.

The Company is reliant on the support of Shareholders taking up their Entitlement under the Entitlement Offer, and the Placement completing, in order to raise the funds required to meet the Company's business objectives.

In Section 6.1 of this Prospectus there is disclosure about the likely outcomes for the Company based on defined fundraisings levels. Shareholders should read this information carefully before making any investment decision.

8.3 Company specific

(a) Potential for significant dilution

Upon implementation of the Offers, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 2,175,014,261 currently on issue to 5,350,028,522. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offers being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.028 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offers.

(b) Lodgement of annual financial report

As at the date of this Prospectus, the Company has not lodged its annual financial report with ASIC as required by section 319 of the Corporations Act. A company's report for a financial year must be lodged with ASIC within 3 months after the end of a financial year. If the Company does not lodge its

annual financial report with ASIC by the deadline of 30 September 2019, there is a risk that ASIC may:

- (i) fine the Company (or impose another penalty); and/or
- (ii) issue the Company with a determination under section 713(6) of the Corporations Act, excluding the Company from being able to issue transaction specific prospectuses (in accordance with section 713 of the Corporations Act) for 12 months. An order of this nature would mean that the Company would need to issue a full-form prospectus for security issues whilst the determination is in place.

The Company is currently working with its auditors to finalise its annual financial report and intends on finalising and lodging the report with ASIC as soon as possible.

(c) **Lack of Australia resident directors**

The Company currently has three Directors, none of whom ordinarily reside in Australia. It is a requirement of section 201A of the Corporations Act that a public company have at least two directors who ordinarily reside in Australia. The Company has been voluntarily suspended from trading on ASX since 8 April 2019 to enable the Company to appoint two Australian resident directors.

The Company is continuing a process to appoint two new Australian resident non-executive directors to the Board with the skills and experience to support the Company as it progresses its operating strategy and business plan and will continue to keep the market informed of its progress in this regard.

(d) **Technology risks**

- (i) **Nanosatellites:** Although SAS develops and provides technical specifications, SAS does not plan to manufacture its own hardware. SAS will outsource nano-satellites manufacturing, while using Customer Off The Shelf (**COTS**) hardware to meet many technological needs as part of its business model. As such, SAS will depend on subcontractors meeting the specifications and manufacturing schedule for its nano-satellites, assuming the risk of a subcontractor not meeting the requirements. The development of a nanosatellites is a technology challenge and may be delayed due to failures during testing and/or operations of the satellites.
- (ii) **Software development:** Major effort is dedicated to software development and management, specifically for the communication network in the space and ground segment. Software development is always a risk for budget and schedule, both for development itself and also for debugging and proofing of software.
- (iii) **Ground system procurement and integration:** SAS's space segment will be controlled by a ground control system that will require integration and testing. Once SAS procures an appropriate ground control system, it will select suitable locations to place it, this is yet unknown and will be determined prior to the launch. The placement of the ground control system components may require approval of the relevant local authorities.
- (iv) **Communication hardware and link budget:** SAS plans to subcontract a provider for command and telemetry

communication sites, with performance meeting operational requirements according to analysis and specifications. Failure of hardware, or even reduced performance of hardware (according to specifications), may lead to degradation in system performance and delays in schedule.

- (v) Ground Device Unit: Using the SAS system will require a dedicated Ground Device Unit (communication terminal) and communication software to and from the SAS network. SAS does not plan to manufacture its own hardware, as such, SAS will depend on subcontractors meeting the specifications and manufacturing schedule for its Ground Device Units, assuming the risk of a subcontractor not meeting the requirements. The development of the terminals is a technology challenge and may be delayed due to failures during testing or production.

(e) **Additional requirements for capital**

Additional funding will be required in the event costs exceed the Company's estimates and to effectively implement its business and operations plans in the future to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur. Further additional financing will be required if the Board determines to accelerate the development of the SAS's technology.

The Company will seek to raise further funds through equity or debt financing, joint ventures, licensing arrangements, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and postponement of their activities and potential research and development programmes. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

As part of managing its future capital needs, alongside the Placement, the Company has already identified various corporate overhead (a mixture of salaries, marketing, administration and other operating expenditure items) that will also be reviewed to limit the Company's cash burn until it achieves its first material contracted revenues.

(f) **Development and commercialisation of the SAS technology**

The success of the Company depends upon SAS's ability to develop and commercialise SAS technology. A failure to successfully develop and commercialise SAS technology could lead to a loss of opportunities and adversely impact on the Company's operating results and financial position. Any inability to access third party proprietary software, or flaws in any third party software used by SAS, could adversely affect SAS's ability to develop and commercialise the SAS technology.

There is a risk that the Company's current, and any new technology launched and developed, may be unprofitable because they are not supported by sufficient interest or otherwise not adequately marketed and fail to generate interest.

The prospects of the Company must be considered in the light of the risks, expenses and difficulties frequently encountered by companies in their early stage of commercialisation.

(g) **Competition**

- (i) Pricing: The SAS business model and strategy is based on low pricing for market penetration. Competitors may select to use an aggressive pricing policy in order to defend their market share, even at the cost of a loss.
- (ii) Wide band systems: There are several initiatives worldwide for development of a global wide band systems (Wi-Fi anywhere). SAS estimates these systems have a lead-time of 3 -10 years. There is a risk of a global player investing significant funds and resources for building such a system.
- (iii) Similar system: The hardware used in SAS's communications network is COTS. There is a possibility of competition trying to imitate the SAS concept.
- (iv) Other Nanosatellite IoT operators: since the Company successfully demonstrated that nanosatellites can be used for communication services other companies started efforts to provide IoT services using nanosatellites. The Company estimates it has a first mover advantage, the demand is high and market share is large enough to support many service providers.
- (v) Litigation affected by competition: While there is no current legal risk, it is possible for competitors to try and influence frequency allocation procedures with direct appeals to the International Telecommunication Union (ITU) or by using local (state level) influence. Such activity may delay SAS possibility to deploy an operational system.

(h) **Regulation Risks**

- (i) ITU frequency allocation for operational system: ITU approval is required for using communication frequencies in fully operational system. SAS cannot guarantee ITU approval.
- (ii) Satellite licensing: SAS is licensing its assets through the UK Space Agency (**UKSA**). SAS cannot guarantee UKSA approval schedule for providing the required licenses prior to launch.
- (iii) Landing rights: SAS is licensing its ground segment through its customers and resellers. SAS cannot guarantee approval schedule for providing the required licenses prior to commissioning.
- (iv) Export license and End-use/End-user regulations: The founders of SAS and key personnel are Israeli citizens and subjected to Israel regulation of export license control. SAS is a registered UK company and is subjected to the UK regulation of export license control. SAS cannot guarantee it will have no impact on schedule or budget.

(i) **Partnership Risks**

The SAS business model requires signing partnership/customer agreements with local satellite communication providers. SAS has started at an early stage negotiation with such SatCom providers. However, there are factors beyond SAS control (such as local economy, competitor's activity, sitcom provider considerations etc) that may delay or preclude these agreements.

(j) **Security Risks**

Global security issues may influence satellite communication market and industry. Investors should consider the implications on SAS and its possible success.

(k) **Cyber Security Risks**

Global cyber security issues may influence satellite communication market and industry. Investors should consider the implications on SAS and its possible success.

(l) **Launch failure, delays and cost**

SAS has agreements with launch providers and to secure a launch of its nano-satellites. Launch is a risk and there is the possibility of a failure, causing major program delay and the need to rebuild, re-integrate and re-test the space segment. SAS will use common practice methods to minimize this risk, including selection of launch contractor with high success rate, insurance to cover the financial risk, etc.

(m) **Space environment**

(i) Space environment qualification: SAS nanosatellites hardware is qualified for space environment at some level, however not all components are fully redundant, as part of the business model and technological concept. There is the possibility of in-space failure due to space environment issues.

(ii) Space weather events: Extreme space weather events such as solar flares, solar eruptions, gamma ray bursts etc are a rare possibility. Although SAS hardware will be designed and tested to withstand nominal space environment conditions, SAS satellites (as most satellites currently in use) are not designed to withstand such an extreme event.

(n) **SAS's intellectual property – Development and Registration in UK**

SAS is developing intellectual property (IP) mainly for communication protocols, network algorithms, and network management, which it will take steps to protect with an IP registration strategy to the extent possible. Optimisation of narrowband communication protocol is a competitive IP advantage against any future competitors.

(o) **Market risks**

Current market forecast is for an ongoing increase in demand for narrowband satellite communication services. Macro-economic factors such as a global economy crisis may change this estimate and market demand.

(p) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of SAS rests substantially on its senior management, key personnel and developers. There can be no assurance that there will be no detrimental impact on SAS if one or more of these employees cease their employment or if one or more of SAS's directors leaves its board.

(a) **Regulatory risks**

The Company will incur ongoing costs and obligations associated with compliance with necessary regulations. Any failure to comply with regulations may result in additional costs for corrective measures, penalties or in restrictions on the Company's proposed business operations. In addition, changes in regulations could require extensive changes to the Company's operations, increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of the Company.

The Company's ability to operate in the future will depend in part on whether it is able to effectively commercialise its potential interests in products. This will depend on successful completion of product development activities, obtaining regulatory approval and on there being commercial demand for such products which cannot be guaranteed.

8.4 General risks

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential research and development programmes, as well as on their ability to fund those activities.

(b) **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(c) **Insurance risks**

The Company intends to insure its operations and those of SAS (as required) in accordance with industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company effected.

(d) **Litigation risks**

The Company is exposed to possible litigation risks including, but not limited to, intellectual property and patent claims. Further, the Company or SAS may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company and SAS are not currently engaged in any litigation.

(e) **Dependence on outside parties**

The Company may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that the Company will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

(f) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and technology related stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

8.5 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares and Options offered under this Prospectus.

Therefore, the Shares and Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares or Options.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares or Options pursuant to this Prospectus.

9. ADDITIONAL INFORMATION

9.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

9.2 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus". In general terms a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
08/11/2019	Notice of General Meeting
08/11/2019	Financing Update \$10.8m Entitlement Issue and \$5m Placement
31/10/2019	Quarterly Activities and Cashflow Report
10/10/2019	GBP 1.4m R&D Rebate Received – Convertible Loan Agreement
27/09/2019	Results of General Meeting
16/09/2019	Investor Presentation – September 2019
02/09/2019	Appendix 4E - Preliminary Final Report
26/08/2019	Notice of Meeting - Placement to Raise \$15m
15/08/2019	Voluntary Suspension Extension
31/07/2019	Quarterly Activities and Cashflow Report
19/07/2019	Voluntary Suspension Extension
01/07/2019	Voluntary Suspension Extension
27/05/2019	Voluntary Suspension Extension
22/05/2019	CTO Letter to Shareholders
21/05/2019	Suspension of Class (ASX SASOC) from Official Quotation
21/05/2019	SAS Secures US\$1.1 million Convertible Loan
20/05/2019	Issue of PO Securities & Tranche 1 Placement Ops - Appx 3B
15/05/2019	CEO Letter to Shareholders
14/05/2019	Appendix 3Y - Change of Director's Interest Notice x 3
14/05/2019	Voluntary Suspension Extension
13/05/2019	New 6U Agreement signed with GomSpace
10/05/2019	Further Commercial Opportunities - MoU & Reseller Agreements
08/05/2019	Issue of Placement Shares and Options to Directors - Appx 3B
07/05/2019	New MoU's signed for Global Coverage Constellation
03/05/2019	Voluntary Suspension Extension
30/04/2019	Quarterly Activities and Cashflow Report
18/04/2019	Voluntary Suspension Extension
16/04/2019	Supplementary Prospectus
12/04/2019	Appendix 3Z - Dianne Fulton and Michael Malone
09/04/2019	Voluntary Suspension Extension
09/04/2019	Board Changes
09/04/2019	Company Update
08/04/2019	Results of General Meeting
08/04/2019	Suspension from Official Quotation
04/04/2019	Trading Halt
04/04/2019	Pause in trading
21/03/2019	\$3.24 million raised from oversubscribed Priority Offer
18/03/2019	Sky and Space Global Priority Offer Closes Oversubscribed

Date	Description of Announcement
13/03/2019	Extension of Closing Date and Updated Timetable
05/03/2019	Notice of General Meeting/Proxy Form
05/03/2019	SAS Secures Trial Agreement with MTN Nigeria
28/02/2019	Resignation of Joint Company Secretary
28/02/2019	SAS Network Reseller Contract Signed with Indonesian Telco
26/02/2019	Half Yearly Report and Accounts
25/02/2019	Priority Offer Information and Timetable for Shareholders
22/02/2019	Appendix 3B - Issue of Tranche 1 Placement Shares
22/02/2019	Reinstatement to Official Quotation
22/02/2019	Completion of Tranche 1 of \$12,000,000 Placement
21/02/2019	Appendix 3B - Prospectus
21/02/2019	Prospectus
20/02/2019	\$12m Placement Secured and \$3m Priority Offer Underwritten
15/02/2019	Voluntary Suspension Extension
12/02/2019	Voluntary Suspension Extension
11/02/2019	Response to ASX Queries
08/02/2019	Voluntary Suspension Extension
07/02/2019	Voluntary Suspension Extension
06/02/2019	Voluntary Suspension
04/02/2019	Trading Halt
31/01/2019	Quarterly Activities and Cashflow Report
22/01/2019	Investor Presentation
21/01/2019	SAS Boosted by Reseller MoU and a Trial Service Agreement
16/01/2019	MOU Agreements expand footprint in USA and South America
08/01/2019	Company Update- Two New MoUs and Update on GomSpace Contract
10/12/2018	Initial Director's Interest Notice
10/12/2018	Final Director's Interest Notice
04/12/2018	Appointment of Independent Non-Executive Director
03/12/2018	MoU Agreement signed with Blue Power Group
30/11/2018	Results of Meeting
28/11/2018	Distribution Agreement Signed with GlobalSat Group
26/11/2018	Investor Presentation
15/11/2018	South American Footprint Strengthened
14/11/2018	Successful Disruptive Technology Demonstration at AfricaCom
14/11/2018	Company Presentation
06/11/2018	Initial Director's Interest Notice
05/11/2018	Final Director's Interest Notice
31/10/2018	Michael Malone Appointed as Non-Executive Chairman
31/10/2018	Notice of Annual General Meeting/Proxy Form
30/10/2018	Quarterly Activities and Cashflow Report
30/10/2018	Appendix 4G and Corporate Governance Statement

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.skyandSPACE.global.

9.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

	Price	Date
Highest	\$0.054	1 February 2019
Lowest	\$0.027	21 March 2019
Last*	\$0.028	3 April 2019

*The Company's Shares went into a trading halt on 4 April 2019, have been suspended from official quotation since 8 April 2019, and remain so.

9.4 Lead Manager Mandate

Pursuant to a mandate dated 7 November 2019, the Company has engaged Merchant Corporate Advisory to act as Lead Manager and bookrunner to the Entitlement Offer and the Placement Offer (**Lead Manager Mandate**).

The Company will pay Merchant Corporate Advisory the following fees:

- (a) a management fee of 1.0% of the total amount raised under the Placement;
- (b) a placement fee of 5.0% of the total amount of the Placement;
- (c) a management fee of 1.0% of the total amount raised under the Entitlement Offer inclusive of the placement of any Shortfall under the Entitlement Offer; and
- (d) a placement fee of 5.0% of the total amount of the Entitlement Offer inclusive of the placement of any Shortfall under the Entitlement Offer.

The Lead Manager Mandate also contains a number of indemnities, representations and warranties from the Company to the Lead Manager that are considered standard for an agreement of this type.

9.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or

- (b) for services provided in connection with:
- (i) the formation or promotion of the Company; or
 - (ii) the Offers.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Entitlement	Entitlement Options	\$
Mr Meir Moalem	325,666,667 ¹	6,666,667 ²	325,666,667	81,416,667	1,628,333
Ms Maya Glickman-Pariente	319,666,666 ³	1,666,666 ⁴	319,666,666	79,916,667	1,598,333
Mr Yonatan Shrama	318,666,666 ⁵	1,666,666	318,666,666	79,666,667	1,593,333

Notes:

1. 22,333,334 Shares held by MultiModis M.M. Ltd. (IL).
2. 3,333,334 Options held by MultiModis M.M. Ltd. (IL).
3. 301,666,666 Shares held by Meidad Pariente (Husband) and 18,000,000 held by Spacecialist Ltd (Husband's Company).
4. Options held by Meidad Pariente (Maya's Husband)
5. 17,000,000 Shares held by Yonatan Shanan Ltd.

The current Directors are intending to take up a portion of their Entitlements, total amount is to be decided.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The Constitution of the Company provides that Directors may be paid for their services as Directors by a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares. The total maximum remuneration of non-executive Directors is initially set by the Directors prior to the first annual general meeting and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$250,000 per annum.

A Director may be paid fees or other amounts (ie non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	Financial year ended 30 June 2018	Financial year ended 30 June 2019	Financial year ending 30 June 2020
Mr Meir Moalem	\$2,219,708 ¹	\$527,710	\$278,444
Ms Maya Glickman-Pariente	\$318,036	\$305,814	\$170,095
Mr Yonatan Shrama	\$1,929,204 ²	\$363,867	\$194,444

Notes:

1. Includes \$1,689,333 Share-based payments.
2. Includes \$1,574,667 Share-based payments.

9.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offers.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offers. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$116,911 (excluding GST and disbursements) for legal services provided to the Company.

Merchant Corporate Advisory will be paid fees of approximately \$300,000 in respect of the Placement Offer and \$652,504 in respect of the Entitlement Offer, assuming full subscription of the Entitlement Offer. During the 24 months preceding lodgement of

this Prospectus with the ASIC, Merchant Corporate Advisory has been paid fees totalling \$448,320 by the Company.

9.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

Merchant Corporate Advisory has given its written consent to being named as Lead Manager to the Company in this Prospectus. Merchant Corporate Advisory has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

9.8 Expenses of the Offers

In the event that all Entitlements are accepted and the Placement Offer is completed, the total expenses of the Offers are estimated to be approximately \$1,037,333 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	26,623
Lead Manager fees ⁽¹⁾	952,504
Legal fees	15,000
Printing and distribution	30,000
Miscellaneous	10,000
Total	1,037,333

Note:

1. Based on Lead Manager fees of approximately \$300,000 in respect of the Placement Offer and \$652,504 in respect of the Entitlement Offer, assuming full subscription of the Entitlement Offer.

9.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 6556 2400 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus,

or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.skyand.spaceglobal.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

9.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

9.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

9.12 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

10. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Mr Meir Moalem
CEO and Managing Director
For and on behalf of
SKY AND SPACE GLOBAL LTD

11. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

AEDT means Australian Eastern Daylight Saving Time as observed in Melbourne, Victoria Australia.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form, Shortfall Application Form or Placement Offer Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company or **SAS** or **Sky and Space Global** means Sky and Space Global Ltd (ACN 117 770 475).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Offer means the non-renounceable entitlement issue the subject of this Prospectus and, where, the context requires, includes the Shortfall Offer.

General Meeting means the general meeting of Shareholders to be held on 16 December 2019.

Merchant Corporate Advisory means Merchant Corporate Advisory Pty Ltd (ACN 617 902 646), a corporate authorised representative No. 1252806 of Draupner Investment Management Pty Ltd a licensed securities dealer (AFSL 303566),

New Option means an Option issued on the terms set out in Section 7.2.

Offers means the Entitlement Offer and the Placement Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement Offer has the meaning given in Section 5.2.

Placement Offer Application Form means the application form for the Placement Offer either attached to or accompanying this Prospectus.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus.

Securities means Shares and/or New Options.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 5.9.

Shortfall Securities means those Securities issued pursuant to the Shortfall.

WST means Western Standard Time as observed in Perth, Western Australia.