



Global Satellite Solutions

ASX Announcement
2 March 2015

RESPONSE TO MEDIA COVERAGE

NewSat Limited (ASX: NWT, OTCQX: NWTLY), Australia's satellite company, notes the commentary recently published in the Fairfax media and wishes to clarify a number of misleading and incorrect statements in such commentary.

The commentary refers to the views of a former consultant of the Company (the "views of Mr. Rudd") that were given to NewSat in mid 2014. The views of Mr. Rudd were considered by the NewSat Board of Directors in the second half of 2014. Certain matters reported in the Fairfax media as being the subject of the views of Mr. Rudd were found to be without foundation. Also, the accounting matters, related party transactions, CEO's salary and claims by 2 employees referred to in the Fairfax articles have all been previously disclosed in the Company's published accounts.

In addition and prior to learning of the views of Mr. Rudd, the NewSat Board of Directors had already decided to strengthen the Company's corporate governance policies and practices. Such new policies and practices were announced by NewSat last year and were discussed at the Company's 2014 annual general meeting held in November 2014.

The Fairfax commentary also implies that one of NewSat's major customers, TrustComm, has served NewSat with a civil suit filed in Virginia state court in the United States seeking recovery of \$10 million. This is incorrect. TrustComm's claim has not been served on NewSat, and aside from its filing, TrustComm has not taken further procedural steps to prosecute the suit. In this respect, TrustComm's conduct is consistent with NewSat's view that TrustComm's suit is a negotiating tactic designed to pressure NewSat and its lenders in incomplete commercial negotiations regarding potential changes to the NewSat-TrustComm contract sought by TrustComm (changes to such contract may only be made with the lenders' consent). NewSat considers that the TrustComm claim is baseless and without foundation. NewSat has demanded that TrustComm withdraw its claim, and the parties are now in the process of agreeing the terms on which the US suit against NewSat will be dismissed in favour of a private mediation in Melbourne.

In sum, the Fairfax commentary was published without any input from NewSat, and NewSat regards the Fairfax reporting as irresponsible and is considering its legal options in this regard.

NewSat is focused on reaching agreement on the terms of a conditional waiver with its lenders which it expects to do by mid to late March 2015.

About NewSat:

NewSat is Australia's largest pure-play satellite communications company, delivering internet, voice, data and video communications via satellite. With award winning and unique-to-Australia teleports infrastructure, NewSat has a reputation as the partner of choice for enterprise and government customers around the world. Today, NewSat provides secure and reliable connectivity to 75% of the globe.

NewSat Limited

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NewSat proposes to expand its satellite capabilities with the Jabiru Satellite Program. Set to launch Australia's first commercial Ka-band satellite, Jabiru-1 will provide high-powered, flexible capacity over the MENA and Jabiru-2, launched in 2014, will deliver highly targeted coverage across Australasia. For more information, please visit www.newsat.com

For further information:

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