



Global Satellite Solutions

ASX Release
4 February 2013

JABIRU-1 SATELLITE FUNDING UPDATE

NewSat Limited (ASX: NWT) ("NewSat" or "Company") refers to its previous announcements regarding its voluntary suspension and the ongoing negotiations for the funding of its Jabiru-1 satellite project.

NewSat is pleased to announce that in addition to the US Ex-Im Bank approval for an amendment to the senior debt facility, NewSat has received an amended promesse de garantie from COFACE of US\$108.4 million. The promesse de garantie will be used to back loans to NewSat in order to fund the building of the rocket by Arianespace. The US Ex-Im Bank approval and the promesse de garantie from COFACE are conditional on the Company raising the additional required funding via equity and mezzanine funding.

Negotiations with potential equity/mezzanine investors are continuing. It is anticipated that the recent approval from the US Ex-Im Bank and COFACE will give further impetus to these negotiations. In this respect, the Company remains confident of finalising these negotiations and achieving financial close shortly. Nevertheless, a number of interdependent matters still need to be negotiated, agreed and finalised and there is no certainty that financial close will be achieved within a short period albeit the Company is working toward achieving this as soon as practicable in February.

Equity raising

- The amended approvals from US Ex-Im Bank and COFACE increase the total senior debt and allow additional required funding to include mezzanine debt. Combined with changes in the project cost, this reduces the amount of equity required to be raised by NewSat from the previously required amount of US\$200 million;
- NewSat and its advisors are in discussions with potential investors for the required equity for the project to be raised via placement (**Placement**);
- The Company is in advanced stages of negotiation with a sophisticated investor for a US\$30 million convertible note facility as part of the mezzanine funding, as well as participation in the Placement;
- On finalisation of the Placement and mezzanine funding, the Company will issue a prospectus to, amongst other things, remove on-sale restrictions that may apply to the shares issued under the Placement (**Prospectus**). The Prospectus will contain detailed disclosures on the senior debt and mezzanine facilities, the impact of the debt and equity fundraising (including a pro forma balance sheet based on the Company's 31 December 2012 balance sheet) on the Company as well as material contracts relating to the Jabiru-1 satellite project and other customary disclosures.

Given the multi-faceted and interdependent nature of the financing negotiations, NewSat considers it appropriate for the voluntary suspension of its shares to continue until such negotiations have been finalised and the Prospectus issued.

The Company is committed to finalising the negotiations with mezzanine debt and equity investors as soon as practicable in order to minimise the period in which the Company's shares remain in suspension.

NewSat will next provide an update to the market on 15 February 2013, unless it is in a position to make an announcement before then.

NewSat Limited

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About NewSat:

NewSat is Australia's largest pure-play satellite communications company, delivering internet, voice, data and video communications via satellite. With its unique-to-Australia teleport infrastructure, NewSat provides a full range of managed satellite communication services and has established a reputation as the partner of choice for governments, corporations and private enterprises. Today, NewSat has the ability to provide coverage to 75% of the globe; from Australia, Asia, the Middle East, Africa, across the Indian Ocean extending into Europe and across the Pacific Ocean, reaching into the West coast of the USA.

NewSat's world acclaimed teleports in Perth (Western Australia) and Adelaide (South Australia) were Top 3 Finalists in the World Teleport Association's 2012 and 2010 "Awards for Excellence" and made the 2012 and 2011 "Top Operator Rankings". Both teleports are accredited to supply services to the Australian Department of Defence (DRSS) and are recognised as highly secure Global Access Points, supporting certified classified networks to ensure the transmission of vital and sensitive information for government clients.

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

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