

28 November 2016

ASX Code: SAS

\$7m Capital Raising Significantly Oversubscribed, Ahead of “3 Diamonds” Launch in Q2 2017

Highlights

- Sky and Space Global has received firm commitments for a significantly oversubscribed \$7 million Capital Raising, comprising a Placement (\$5m) and a Priority Offer to Shareholders (\$2m) at 8.5c per ordinary share (“Capital Raising”).
- The Capital Raising delivers a strong cash position and critically strengthens the Company’s balance sheet for benefit of all shareholders.
- The funds will be utilised to fast-track development of the Company’s proprietary nano-satellite software for its affordable communications bandwidth solution to roll out to billions of people across the globe, kick-off constellation contracts and secure Virgin Galactic launch slots in 2018/19.
- The Company is now well funded with in excess of \$8 million in cash and it approaches the launch of the initial “3 Diamonds” nano-satellite launch in Q2 2017.

Sky and Space Global Ltd (ASX: **SAS**, “**Sky and Space Global**” or the “**Company**”) is pleased to announce that it has received binding commitments for a significantly oversubscribed Capital Raising of \$7 million before costs, comprising a Placement and Priority Offer to shareholders at 8.5 cents per ordinary share. Patersons Securities Limited (“**Patersons**”) will act as Lead Manager to the Placement and Lead Manager and Underwriter to the Priority Offer. Sanlam Private Wealth Pty Ltd will act as Co-Manager to the Placement.

Placement

The Company has received binding commitments for 58,823,530 shares at 8.5c per ordinary share to raise \$5 million from Australian Institutions together with sophisticated and professional investors, both of whom have been ongoing strategic supporters of the Company. The Placement shares will be issued pursuant to the Company’s available placement capacity as per ASX Listing Rules 7.1, and is expected to be settled by Friday 2 December.

Priority Offer

In addition to the Placement, the Company will undertake a Priority Offer to eligible shareholders of 23,529,412 shares at 8.5c to raise a further \$2 million that is to be fully underwritten by Patersons. The Record Date for eligible shareholders is currently set for 2 December 2016.

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The Priority Offer will allow Eligible Shareholders the opportunity to apply for up to \$15,000 worth of shares per shareholder, which may be applied for in parcels of \$2,000, \$5,000, \$10,000 or \$15,000 worth of Shares. A prospectus for the Priority Offer is expected to be lodged on 2 December 2016 and close on or before 16 December 2016. Applications under the Priority Offer will be allocated on a 'first in first served basis' and the final allocation decision will be at the sole discretion of the Board.

Use of Funds

The funds from the Capital Raising will significantly strengthen the Company's balance sheet, help it fast-track progress towards commercialisation of its technology and to kick-off the next phase in the rollout of its first constellation of 200 nano-satellites. The Company enters an extremely exciting phase in its development, with the imminent completion of the construction of its "3 Diamonds" nano-satellites and commencement of their "in-space operations testing", ahead of their pending launch set for Q2 2017.

The Capital Raising funds will allow the Company to rapidly advance the development of its proprietary inter-satellite software systems and secure launch slots with Virgin Galactic for the equatorial constellation. The Company is also in advanced discussions with a number of potential strategic partners that will enhance the commercialisation capabilities of the Company in the near term.

The Company is now well funded to progress its growth objectives as it plans to provide affordable communications bandwidth to billions of people across the globe.

Sky and Space Global's CEO, Mr. Meir Moalem said:

"We are pleased to have received such strong support from investors to progress our nano-satellite commercialisation plans. The level of support we have received significantly validates the technical and commercial potential of Sky and Space Global.

"This funding round strengthens our balance sheet as we progress to the exciting launch of our initial "3 Diamonds" nano-satellites in Q2 2017, now only 6 months away. This is a major upcoming milestone for the Company which has the potential to create significant value for our shareholders as we build out a constellation to bring affordable communications coverage to billions of people globally- to Anyone, Anywhere, Anytime."

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About Sky and Space Global Ltd

World Experts and Highly Disruptive Business Plan

Sky and Space Global Ltd owns 100% of Sky and Space Global (UK) Limited, a UK incorporated company with European and Israeli centres of Aerospace, Satellite and Software Industry Experts, plans to deploy nano-satellites constellations in orbit to provide global communication infrastructure and services to the telecommunications and international transport industries.

The Company is now fully funded beyond the Q2 2017 launch of its "3 Diamonds" pilot network with the Indian Space Research Organization.

The core Sky and Space Global business is to construct a communications infrastructure based on nano-satellite technology and develop the highly complex and sophisticated software systems that will deploy, maintain orbit control and handle communication code between each of the nano-satellites to give a global coverage.

Sky and Space Global aims to provide low cost, nano-satellite communication coverage on an anywhere to everywhere base with relatively low maintenance costs. Due to the experience and expertise of the founders in the aerospace industry, the business will be able to develop with inherent upgrading capabilities within short intervals, utilising their unique IP-nanosat software protocols.