



McGrathNicol

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**NewSat Limited (Receivers and Managers Appointed) (Administrators Appointed)**  
**ACN 003 237 303 (ASX Code: NWT)**  
**("NewSat" or "the Company")**

### **Receivership and Administration update**

Further to the announcement made on 13 May 2015, an update on the receiverships and administrations is provided below.

### **Chapter 15 Proceedings**

As advised in previous announcements, the Administrators made an application for recognition of the administrations as foreign main proceedings under Chapter 15 of Title 11 of the United States Bankruptcy Code, in Delaware, United States of America ("Chapter 15 Proceedings") and were granted a temporary restraining order for the period prior to the recognition hearing, which was held on 29 May 2015.

Orders made by the Bankruptcy Court on 29 May 2015 recognised the administrations as foreign main proceedings, extended the provisional relief under the temporary restraining order provided on 1 May 2015 and granted additional relief.

### **Termination of Lockheed Martin Satellite Construction Contract ("LMSCC")**

The time for the recognition hearing in the Chapter 15 Proceedings was extended from 18 May 2015 to 29 May 2015 on the basis that the Lockheed Martin objection to the Chapter 15 Proceedings was resolved by separate agreement between the parties. The agreement required the Administrators to assume or reject the LMSCC by 18 May 2015.

Due to the absence of unconditional finance in support of a recapitalisation/sale of NewSat's assets being available by 18 May 2015, the Administrators were unable to assume the LMSCC by the agreed deadline. Consequently, following an application by Lockheed Martin, the LMSCC was deemed rejected by NewSat as at 18 May 2015 by order of the United States Bankruptcy Court.

This order had the effect of extinguishing NewSat's legal interest in the Jabiru-1 satellite.

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### **Standstill agreement with Arianespace in respect of Launch Service Agreement**

In connection with the Chapter 15 Proceedings, a standstill period has been agreed with Arianespace in relation to the Launch Service Agreement.

Pursuant to the standstill agreement, Arianespace has agreed not to terminate the Launch Service Agreement prior to 15 July 2015, on the basis that the Administrators file a motion to assume the Launch Service Agreement by that date or else the Launch Service Agreement be deemed rejected.

### **Update on Arianespace launch date notification**

As noted in the ASX announcement dated 13 May 2015, Arianespace elected to postpone their launch manifest and postpone the Jabiru-1 launch period, estimating that the Jabiru-1 launch would not occur until, at the earliest, a period beginning from October 2016.

A further suspension and rescheduling notice was received from Arianespace on 3 June 2015 advising that it has suspended all of its activities in preparation of the launch and the launch period had been rescheduled to the period from 1 December 2016 up to and including 28 February 2017.

### **Update on sales process**

The Receivers and Peter J Solomon Company continue to treat with a number of parties interested in acquiring NewSat's assets either in whole or in part.

Separate processes have commenced in respect of specific operations and assets including the Launch Service Agreement and the teleport business.

NewSat's teleport business continues to operate in the normal course.

### **Executive Management**

The above developments and the Receivers' continued control of NewSat has rendered certain executive positions surplus to NewSat's needs. Consequently, Mr Adrian Ballantine's role as Chief Executive Officer was terminated by way of redundancy on 29 May 2015 and Mr Mark Spragg's consulting role as Interim Chief Financial Officer was terminated on 3 June 2015.



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