

ASX Announcement
17 February 2010 - Immediate



Chairman's Address to NewSat Shareholders on Financial Progress

As Chairman of NewSat Limited (ASX:NWT), Australia's largest independent satellite communications company, I am personally writing to update you on the company's financial progress.

The satellite communications market is over an \$80 billion market worldwide experiencing annual growth of 17% over the last three years. NewSat is well placed to leverage off its infrastructure, with our teleports having a footprint of 75% of the worlds' surface to continue to grow the business in this robust global market.

Our recent announcement regarding half year financial results for the period ending 31 December 2009 further signify we are owners of a **unique-to-Australia cashflow positive, monthly recurring revenue business** that is on track for continued strong annual financial growth. Highlights include –

- Revenue from ordinary activities - up 21% or \$2.03 million to \$11.9 million for the period;
- Monthly Recurring Revenue Charge (MRC) has increased \$0.3 million (or 17%) from July 2009 to \$1.97 million as at December 2009;
- Positive EBITDA of \$0.3 million representing both the Group's maiden positive EBITDA for reporting period and growth of \$0.9 million or 143%;
- Positive operating cash flow of \$0.9 million up 607% or \$0.7 million;
- Cash and cash equivalents up \$0.3 million to \$2.2 million

With a number of significant contracts under negotiation, in addition to over 200 high grade corporate contracts signed during the first 6 months of the financial year, plus 2 one million dollar contracts announced in January 2010, we are confident of the continued success of NewSat and a financial performance to reflect this.

I encourage you download a recent research report at newsat.com/researchreport by Perth Investment Advisors, D.J. Carmichaels that outlines the dynamics of the NewSat business model and demonstrates how NewSat is an emerging growth satellite communications company.

Finally, the Jabiru satellite program to launch Australia's first next generation satellite continues to progress and is on track to update the market on key milestones such as supplier selection for build and launch of Jabiru-1, by 30 June 2010.

By all means if you have any further questions regarding NewSat's financials, please don't hesitate to contact our shareholder information line on +61 3 9674 4626.

Regards,

A handwritten signature in black ink, appearing to read "Richard Green".

Richard Green
Chairman

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