



TELESAT AND THE KRG EXPAND IP BROADBAND ACCESS TO REMOTE COMMUNITIES IN CANADA'S NORTH

Long-Term Agreement Signed with the Kativik Regional Government
For C-band Capacity on Telesat's Anik F3 Satellite

KUUJJUAQ, QUEBEC, CANADA, OCTOBER 15, 2008 – Telesat, Canada's satellite service provider, and the Kativik Regional Government (KRG) signed an agreement today that enables a growing number of Native communities across northern Ontario, Quebec and Manitoba to have access to a full range of IP broadband services. The KRG signed the agreement on behalf of the Northern Indigenous Community Satellite Network (NICSN) which was established in 2005 by the KRG, Keewatinook Okimakanak's K-Net and the Keewatin Tribal Council.

The long-term agreement for multiple C-band transponders on Telesat's Anik F3 satellite follows a commitment the Government of Canada made last year to invest in satellite infrastructure as the means of bringing advanced communications to communities in the North.

At today's signing ceremony, KRG Chairperson Maggie Emudluk said: "Through this contract, we are making advanced broadband services available to 13 First Nations communities in northern Ontario, 15 remote communities in northern Quebec and 16 satellite-served communities in northern Manitoba. Broadband connectivity will stimulate economic development and improve quality of life for our citizens through greater access to health, education and other government services."

According to Paul Bush, Telesat's Vice President, North American Sales, "Telesat's Anik F3 satellite is ideally suited to provide much needed services to Canada's northern communities." Bush added that, "Telesat has worked for many years with the northern communities to improve access. This network is an important step and we are very proud of our role in bringing advanced communications services to everyone, no matter where they live."

Funding for the NICSN–Telesat agreement is provided mainly through Infrastructure Canada's National Satellite Initiative, formed in 2003. Further financial assistance has been made available by the Quebec government

through its program entitled Villages branchés du Québec and the Ontario government through the Northern Ontario Heritage Fund. The parties involved in the NICSN jointly secure, manage and share satellite bandwidth for purposes of delivering a full suite of online communications services to their communities including tele-health, e-learning, e-justice, video conferencing, and VoIP.

About Telesat (www.telesat.com)

Headquartered in Ottawa, Canada, with offices and facilities around the world, Telesat is the fourth-largest fixed satellite services operator. The company provides reliable and secure satellite-delivered communications solutions to broadcast, telecom, corporate and government customers. Telesat has a global state-of-the-art fleet of 13 satellites, with another two satellites under construction, and manages the operations of 13 additional satellites for third parties. Telesat is privately held. Its principal shareholders are Canada's Public Sector Pension Investment Board and Loral Space & Communications Inc. (NASDAQ: LORL).

About the Kativik Regional Government (KRG) (www.krg.ca/en/index.htm)

The KRG is a non-ethnic public organization created in 1978, under the *James Bay and Northern Quebec Agreement*. The organization has jurisdiction over nearly the entire territory of Quebec north of the 55th parallel. The KRG administers public affairs in Nunavik in the areas of municipal matters, transportation, the environment, policing, employment, labour training, income security, childcare services, renewable resources, land-use management, civil security and economic development.

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