



Optus Satellite to Begin Testing and Trials on Telesat's Recently Launched Phase 1 Low Earth Orbit (LEO) Satellite

Telesat's LEO system is designed for communications companies like Optus that require flexible, high speed bandwidth for customers in Australia, New Zealand and worldwide

SYDNEY, AUSTRALIA AND OTTAWA, CANADA, March 8, 2018 – Optus Satellite, the leading satellite operator in Australia and New Zealand, and Telesat, a leading global satellite operator, announced today they will be collaborating in live, over-the-air trials on Telesat's recently launched low earth orbit (LEO) satellite.

Telesat's Phase 1 LEO satellite was launched in January 2018 and is now undergoing commissioning and orbit-raising. Telesat's LEO constellation, once fully deployed, is designed to deliver transformative, low latency, fiber-like broadband for commercial and government customers throughout the world, including in Australia and New Zealand. The initial constellation will consist of approximately 120 state-of-the-art satellites by 2021 providing full global coverage and Telesat is evaluating options to expand its system beyond this initial configuration. Telesat is uniquely positioned to deliver the world's most advanced and capable LEO constellation given the company's deep technical expertise, strong track record of innovation, senior spectrum rights, and industry-leading customer service and support.

Phase 1 testing will enable Optus to experience the advantages of Telesat's system – including ultra-low latency and high speeds – and assess the role Telesat LEO can play in Optus' next-generation satellite networks. Optus and Telesat will work together, using Telesat equipment and existing Optus infrastructure, to perform the testing at the Optus satellite teleport in Belrose, NSW, and at other locations in Australia. Optus and Telesat will also explore a longer-term joint services and market development plan, specific to Telesat's LEO initiative, for Optus' customer segments and regions of interest. Both parties look to leverage their combined commercial and technical capabilities to transform the communications experience.

“Satellite has long played a key role in meeting the important networking requirements of our enterprise and government customers across Australia and New Zealand,” said Paul Sheridan, Vice President, Optus Satellite. “As an industry leader, Optus is always looking to leverage the most advanced technology to meet the mission critical needs of our customers, including improved and flexible geographic coverage, faster satellite data rates, reduced signal latency, and overall best economic value and user experience. Our evaluation of Telesat's LEO design gives us confidence their system is capable of delivering these improvements and has the potential to become a core component in Optus' future infrastructure. We are looking forward to starting trials on

Telesat's Phase 1 LEO satellite and demonstrating to our customers the exciting future of satellite delivered services."

"Optus Satellite has a long track record of innovation and outstanding customer service and we are delighted to be teaming with them to demonstrate the game changing benefits of our next generation LEO constellation for users in Australia and New Zealand," said Dan Goldberg, President and CEO of Telesat. "Telesat's LEO system is designed to deliver low latency, high speed broadband with the ability to instantly allocate bandwidth where it's most needed. We are excited to be collaborating with Optus on this demonstration and we look forward to continuing to cooperate as we advance the development of Telesat's global LEO system."

About Optus Satellite (www.optus.com.au)

Optus Satellite is Australia and New Zealand's leading satellite operator. By incorporating fixed, wireless and satellite technologies into a single network, Optus can provide 100% coverage, with solutions that exceed a traditional telecommunications experience and extend mobile networks across the country. With an extensive 30-year history and 10 successful satellite launches, Optus is the only network provider to own and operate a fleet of satellites across Australia and New Zealand, with 5 satellites currently in geostationary orbit. Optus Satellite's world class teleport infrastructure and operational excellence provides premium satellite services and tailored business solutions to corporate, enterprise and government customers.

About Telesat (www.telesat.com)

Telesat is a leading global satellite operator, providing reliable and secure satellite-delivered communications solutions worldwide to broadcast, telecom, corporate and government customers. Headquartered in Ottawa, Canada, the company's state-of-the-art fleet consists of 15 GEO satellites, the Canadian payload on ViaSat-1 and one Phase 1 LEO satellite which is the start of Telesat's planned global LEO satellite constellation that will offer low latency, high throughput broadband services. An additional two GEO satellites are under construction with launches planned for mid-2018. Telesat is also a leading technical consultant providing high value expertise and support to satellite operators, insurers and other industry participants on a global basis. Privately held, Telesat's principal shareholders are Canada's Public Sector Pension Investment Board and Loral Space & Communications Inc. (NASDAQ: LORL).

Forward-Looking Statements Safe Harbor

This news release contains statements that are not based on historical fact and are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this news release, the words "will", "look forward to", "expand", "plans", "positioned", "potential" and "designed to", or other variations of these words or other similar expressions are intended to identify forward-looking statements and information. Actual results may differ materially from the expectations expressed or implied in the forward-looking statements as a result of known and unknown risks and uncertainties. Detailed information about some of the known risks and uncertainties is included in the "Risk Factors" section of Telesat Canada's Annual Report on Form 20-F

for the fiscal year ended December 31, 2017 which can be obtained on the SEC website at <http://www.sec.gov>. Known risks and uncertainties include but are not limited to: risks associated with operating satellites and providing satellite services, including satellite construction or launch delays, launch failures, in-orbit failures or impaired satellite performance, volatility in exchange rates and risks associated with domestic and foreign government regulation. The foregoing list of important factors is not exhaustive. The information contained in this news release reflects Telesat's beliefs, assumptions, intentions, plans and expectations as of the date of this news release. Except as required by law, Telesat disclaims any obligation or undertaking to update or revise the information herein.

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