



DARPA Selects Telesat's LEO System to Support DARPA's Blackjack Program

Blackjack is exploring the utility of advanced Low Earth Orbit commercial constellations like Telesat LEO to support DoD's future communications requirements

Ottawa, Canada, November 27, 2018 – DARPA (Defense Advanced Research Projects Agency) has awarded a contract to Telesat under which Telesat will undertake investigations that could lead to the Department of Defense (DoD) making greater use of commercial low earth orbit satellite constellations, such as Telesat's LEO system, for DoD's future space-based communications. The investigations will include evaluating the advantages of DoD using the same spacecraft buses as those Telesat will use in its LEO constellation and having these future DoD spacecraft link to Telesat's LEO constellation via laser-based communications. The result of these investigations could lead to DoD using Telesat's LEO system for its global broadband connectivity needs.

The award to Telesat was made by DARPA's Tactical Technology Office (TTO) under its Blackjack program. Blackjack is an architecture demonstration of a proliferated small satellite constellation in Low Earth Orbit to provide global persistence, low latency communications, and rapid technology refresh. This will be accomplished by leveraging commercial space technologies including commoditized spacecraft buses, ground infrastructure, and user segments at unprecedented costs.

Telesat will work with its sub-contractor Leidos (NYSE: LDOS) to complete required deliverables under Telesat's DARPA contract. Telesat will leverage Leidos's experience working with government customers in creating cutting-edge emerging technologies and transition programs from R&D to fielding, including numerous programs with DARPA.

"Telesat is developing its LEO constellation to make revolutionary advances in broadband performance from space," said Don Brown, Telesat's General Manager, Government Services. "DARPA is exploring a 'pivot to LEO' for future DoD space missions and we expect that Blackjack will confirm the economy, resiliency and power of these new space architectures. This project has significant implications for improving global security while reducing costs to DoD and US taxpayers. Telesat looks forward to supporting DARPA as it works to achieve these goals."

Telesat's LEO constellation will offer economies of scale that have previously been unavailable for DoD's communications needs, along with superior capacity, speed, security and resiliency with latency as good or better than the most advanced terrestrial networks. Telesat LEO will serve the entire globe and become a core component in satisfying many of the world's most challenging communications requirements, including the provision of a highly robust and secure broadband infrastructure that can support future defense operations. In August, Telesat announced it has selected two contractor

teams to further develop system designs for its LEO constellation. One of the teams is a consortium of Thales Alenia Space and Maxar Technologies, owner of SSL. The other team is led by Airbus Defence and Space.

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, with offices and facilities around the world, the company's state-of-the-art fleet consists of 17 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. 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", "deliverables", "could", "future", "expect", "creating", "looks forward 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, the ability to successfully deploy an advanced global LEO satellite constellation, 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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