

Press Release

Elecnor forms a strategic alliance with UrtheCast of Canada to jointly develop projects in the aerospace sector

- **The agreement includes the sale to UrtheCast of Elecnor's two Earth observation satellites, Deimos-1 and Deimos-2, and a series of ancillary agreements. The deal is worth a total of EUR 74.2 million.**
- **In turn, Elecnor has become a strategic partner of UrtheCast's "Constellation" programme, the aim of which is to develop the world's first fully-integrated, multispectral optical and Synthetic Aperture Radar (SAR) commercial constellation of Earth Observation satellites**
- **The agreement strengthens Elecnor Deimos' growth plans for satellite construction and gives the company access to new space sector markets**

Madrid, 23 June 2015.- Elecnor, through its technological division, **Elecnor Deimos**, has formed a strategic alliance with the Canadian company **UrtheCast** for joint projects in the aerospace sector. The agreement includes the sale to UrtheCast of Deimos-1 and Deimos-2, Elecnor's two Earth observation satellites, and a series of ancillary agreements. The deal is worth a total of EUR 74.2 million.

The acquisition is expected to close on or before 21 August 2015,.

Elecnor Deimos and UrtheCast have also agreed to work together on opportunities of common interest. As a result, Elecnor has become a strategic partner of UrtheCast's "Constellation" programme, the aim of which is to develop the world's first fully-integrated, multispectral optical and Synthetic Aperture Radar (SAR) commercial constellation of Earth observation satellites. Specifically, the Spanish company will collaborate in the areas of mission control, direct tasking and receive ground stations, mission analysis and flight dynamics, and in the integration and testing of the SAR payloads in the clean room of the Satellite Assembly and Operations Centre in Puertollano (Real City).

Growth platform

This partnership reflects the advanced level of maturity of Elecnor Deimos, which now has an established presence throughout the space mission value chain. This includes the design, integration, validation, launch, operation and commercial exploitation of Earth observation satellites and the development of Earth observation space systems for third parties.

These are all capabilities acquired through the Deimos-1 and Deimos-2 projects. The acquisition agreement with UrtheCast leverages Elecnor's technological and industrial expertise and brings to a successful conclusion the journey embarked upon ten years ago when the initial engineering research on both satellites commenced, making this business model unique within Spain's aerospace industry.

The deal also strengthens Elecnor Deimos' growth plans for satellite construction. The Group is also leveraging the momentum from this deal to enter new space sector markets.



Elecnor Deimos, a leading player in the European aerospace industry

The Deimos-1 satellite, launched in July 2009, was the first privately funded European Earth observation satellite, while Deimos-2, put into orbit on 19 June 2014 after being integrated into the Satellite Assembly and Operations Centre in Puertollano (Ciudad Real), is the first Spanish very high resolution satellite and considered one of the top five satellites in the world for its core parameter, space resolution. They are both used in a range of fields including agriculture, the environment, climate change, security, defence, border control, deforestation, water resource management and natural catastrophe crisis management support.

In addition to its satellite-based **Earth Observation** activities, Elecnor Deimos also works in another three areas: **Satellite systems**, encompassing all aspects of system construction and integration; **Aerospace and Defense**, with involvement in various European Space Agency (ESA) programmes, and **Aeronautical and Maritime**, developing air navigation systems and servicing public address systems in major communication centres. Its work in these four areas makes Elecnor Deimos one of the leading players in the European aerospace industry.

UrtheCast and its "Constellation" programme

UrtheCast is a Vancouver-based technology company that is developing the world's first Ultra HD video feed of Earth, streamed from space in full colour. Common shares of UrtheCast trade on the Toronto Stock Exchange.

Working with renowned aerospace partners from across the globe, UrtheCast has built, launched, installed, and will soon operate an Ultra HD camera, known as Iris, on the International Space Station (ISS). This camera is located alongside another Medium-Resolution Camera (MRC), also developed by UrtheCast, which reached Initial Operation Capability (IOC) status in 2014.

Both cameras will deliver images of the Earth for use in different fields such as agriculture, the environment and humanitarian aid.

The "Constellation" programme involves the development of a mixed constellation of optical and Synthetic Aperture Radar (SAR) Earth Observation satellites. These satellites will fly in formation in pairs, one optic and one radar, providing unmatched simultaneous observation capabilities.

This system will also be able to stream high resolution videos from space.

The role of alliances with partners at Elecnor

The agreement is in keeping with Elecnor's current financing diversification strategy to drive expansion, in which partnerships with strategic partners play a pivotal role. In 2014, Elecnor entered into a partnership with the Dutch group APG to develop new power transmission projects together in Latin America. Under this agreement, APG took a stake in the Celeo Redes subsidiary of our concessionaire Celeo, which holds its investments in power transmission projects. In addition, the Canadian fund Eolectric Club Limited Partnership has taken a 49% holding in our wind power subsidiary Enerfin, the owner of the L'Érable wind farm in the Canadian province of Quebec.

About Elecnor

Elecnor carries out projects involving infrastructure, renewable energies and new technologies. It has 12,500 employees and operates in over 40 countries. For further information: www.elecnor.com

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