



## **Iridium Joint Venture, Aireon, Signs Long-Term Data Services Contract With NAV CANADA**

MCLEAN, Va., April 29, 2013 (GLOBE NEWSWIRE) -- Aireon LLC, the developer of the world's first satellite-based global air traffic surveillance system, announced today that it has finalized a long-term commercial data services contract with NAV CANADA, further demonstrating Aireon's continued progress towards transforming air traffic communications and helping to establish the global value of Aireon's service in the market.

Aireon, a joint venture between Iridium Communications Inc. (Nasdaq:IRDM) and NAV CANADA, will take advantage of the hosted payload space on Iridium NEXT, Iridium's second-generation satellite constellation, scheduled for first launch in early 2015. Aireon will provide space-based air traffic monitoring services as the new constellation becomes operational, with full capability expected by 2017.

Not only is Iridium a joint venture partner, but a significant supplier of the technology and the network platform for the Aireon<sup>SM</sup> service. As announced in June 2012, Aireon is expected to pay \$200 million in hosting fees to Iridium for the integration and launch of Aireon's Automatic Dependent Surveillance Broadcast (ADS-B) receiver payloads on each of its Iridium NEXT satellites. Iridium also expects to receive recurring data communications service fees from Aireon of nearly \$300 million, or approximately \$20 million annually once fully operational, over the life of Iridium NEXT, assuming Aireon continues to successfully expand beyond NAV CANADA to a global business. In addition to the nearly half a billion dollars in hosting and data fee revenue from Aireon, Iridium also expects to see significant potential value from retaining a substantial interest in the joint venture.

"Iridium has once again capitalized on the unique capabilities of our network to bring forth a revolutionary capability and a sizable new source of revenue for Iridium," said Matt Desch, CEO of Iridium. "Aireon is a win-win for all parties involved, offering significant cost savings to the airlines, increasing visibility and flight routing for NAV CANADA and other air navigation service providers (ANSPs), and representing significant new revenue streams for Iridium."

The Aireon business model is based on delivering fuel and operating cost savings to the airlines. Aireon will generate recurring service revenue from air traffic control organizations such as NAV CANADA, by providing near-real time surveillance over the oceans and remote territories. This will enable air traffic controllers to safely grant more efficient flight levels and direct routing for flights over those regions, which will significantly reduce fuel burn. NAV CANADA and other ANSPs plan to cover the cost of the service by charging the airlines a fee that amounts to a fraction of the fuel cost saved, allowing a majority of the benefits to accrue to the airlines.

Through a continued partnership with NAV CANADA, Iridium has established an end-to-end business model for oceanic ADS-B surveillance. NAV CANADA is ideally suited to be the first customer of Aireon because it manages the second largest air navigation service and is the largest provider of oceanic services in the world by traffic volume. In its North Atlantic operation, in close conjunction with its operating partners, NATS UK and the Irish Aviation Authority, NAV CANADA provides air traffic management for approximately 1,200 flights per day — the busiest oceanic airspace in the world. As a customer, NAV CANADA will benefit from enhanced air traffic surveillance services that will enable commercial airline operations to be more efficient and more environmentally friendly.

"The services provided through Aireon represent great value to the airlines and ANSPs," said John Crichton, President and CEO of NAV CANADA. "The transformational impact that space-based aircraft surveillance will have on aircraft operations is expected to result in more than \$125 million per year in fuel savings through

have on aircraft operations is expected to result in more than \$125 million per year in fuel savings through more efficient flight paths in the North Atlantic alone. We are proud to be on the front lines of this initiative as both a customer and a partner in the joint venture."

The data services agreement with NAV CANADA establishes a path forward for commercial agreements with the world's air navigation service providers. Aireon expects to focus initial sales in the busy North Atlantic, with significant service revenue potential to Aireon from North Atlantic ANSPs alone through the projected life of Iridium NEXT.

"Since we announced Aireon last June, international ANSP interaction and involvement has grown at a rapid pace, and we are excited to have finalized an agreement with NAV CANADA as our first air traffic control customer," said Don Thoma, president and CEO, Aireon. "From Aireon's perspective, we are committed to taking this transformational capability to the whole world, starting with the busy North Atlantic airspace and expanding into other oceanic regions as well as remote land masses and countries without extensive air traffic infrastructure. This is the first of many contracts we expect to sign over the coming years, and we are excited to see continued interest from the FAA and international ANSPs."

Aireon is the product of Iridium's commitment to establish an innovative use of the hosted payload capability available on Iridium NEXT. The sophisticated ADS-B 1090 MHz Extended Squitter (ES) receivers on every Iridium NEXT satellite will complement ground-based air navigation systems currently in use by seamlessly relaying, in near-real time, the GPS position and track information from aircraft flying over oceans, poles and remote regions to air traffic controllers on the ground. This new capability will extend the benefits of current radar-based surveillance systems, which are estimated to cover less than 10 percent of the world, to the entire planet. Iridium expects that Aireon will be accommodated on future Iridium® constellations, enabling continuity of its operations well beyond 2030.

#### **About Iridium Communications Inc.**

Iridium is the only mobile voice and data satellite communications network that spans the entire globe. Iridium enables connections between people, organizations and assets to and from anywhere, in real time. Together with its ever-expanding ecosystem of partner companies, Iridium delivers an innovative and rich portfolio of reliable solutions for markets that require truly global communications. The company has a major development program underway for its next-generation network — Iridium NEXT. Iridium Communications Inc. is headquartered in McLean, Va., U.S.A., and its common stock trades on the NASDAQ Global Select Market under the ticker symbol IRDM. For more information about Iridium products, services and partner solutions, visit [www.iridium.com](http://www.iridium.com).

#### **About Aireon LLC**

Headquartered in McLean, Va., Aireon LLC is a joint venture between Iridium Communications Inc. (Nasdaq:IRDM) and NAV CANADA to provide air traffic management service providers with the capability to track aircraft anywhere in the world in near-real time, including the only coverage over oceanic, polar and remote regions. Aireon will harness the best of aviation surveillance advancements already underway and extend them globally in order to significantly improve the business of air operations through increased efficiency, expanded safety, worldwide integration and significant cost savings to airlines and ANSPs alike. For more information about Aireon, visit: [www.aireon.com](http://www.aireon.com).

#### **About NAV CANADA**

NAV CANADA is the private sector, non-share capital corporation that owns and operates Canada's civil air navigation service (ANS). NAV CANADA co-ordinates the safe and efficient movement of aircraft in Canadian domestic airspace and international airspace assigned to Canadian control. Through its coast to coast to coast operations, NAV CANADA provides air traffic control, flight information, weather briefings, aeronautical information, airport advisory services, and electronic aids to navigation. ANS facilities include seven area control centres and 41 control towers. The Company also operates 56 flight service stations and eight flight information centres. These facilities are supported by a network of over 1,000 ground-based aids to navigation located across the country. For more information, visit [www.navcanada.ca](http://www.navcanada.ca)

### **Forward-Looking Statements**

*Statements in this press release that are not purely historical facts may constitute forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements regarding the development and deployment of the Iridium NEXT system, the development and deployment of the Aireon hosted payload, the development of Aireon as a global business, the receipt by Iridium of hosting and data services fees from Aireon and the benefits of the Aireon system. Other forward-looking statements can be identified by the words "anticipates," "may," "can," "believes," "expects," "projects," "intends," "likely," "will," "to be" and other expressions that are predictions or indicate future events, trends or prospects. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Iridium to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, uncertainties regarding the health, capacity and content of Iridium's current satellite constellation, the development of and transition to Iridium NEXT, Aireon's ability to successfully develop and deploy the Aireon system and establish Aireon as a global business, as well as general industry and economic conditions, and competitive, legal, governmental and technological factors. Other factors that could cause actual results to differ materially from those indicated by the forward-looking statements include those factors listed under the caption "Risk Factors" in the company's Form 10-K for the year ended December 31, 2012, filed with the Securities and Exchange Commission ("SEC") on March 5, 2013. There is no assurance that Iridium's expectations will be realized. If one or more of these risks or uncertainties materialize, or if Iridium's underlying assumptions prove incorrect, actual results may vary materially from those expected, estimated or projected. Iridium's forward-looking statements speak only as of the date of this press release, and Iridium undertakes no obligation to update forward-looking statements.*

CONTACT: Press Contact:

Ashley Eames

Iridium Communications Inc.

+1 (703) 287-7476

[ashley.eames@iridium.com](mailto:ashley.eames@iridium.com)

Investor Contact:

Steve Kunszabo

Iridium Communications Inc.

+1 (703) 287-7570

steve.kunszabo@iridium.com

