

Exhibit 1

This research project is centered around development of a satellite based telephony system for use in rural areas not currently covered by telephony services. The opportunities for these types of services were initially presented to China in regards to its ChinaSat program. There are currently additional opportunities for potential rural services in countries, such as Romania, South Africa and other remote rural areas worldwide. Currently there is no specific contract.

Exhibit 2

The nature of this research effort is to develop, test and demonstrate Fixed Satellite Services concept customized for specific rural areas. The goal is to develop a system to deliver basic telephony services to remote parts of the world utilizing satellite connectivity. The efforts being undertaken here are to prove these concept purposes. Due to current interests this next phase, duration of this effort is projected to be 6 months. With the potential for possible continued use after this phase, at which time we will file for a standard experimental authorization.