

Exhibit 1:

This research project is centered around development of a satellite based telephony system for use in rural areas not currently served by telephony services. The first application will be in China. The program, called ChinaSat will be the first customer. There are additional opportunities in Romania, South Africa and other rural areas world wide. Currently there is no contract specified.

Exhibit 2:

The nature of this research effort is to develop and test a Fixed Satellite Services concept. The goal is to develop a system to deliver basic telephony services to remote parts of the world utilizing satellite connectivity. The effort being undertaken here is for proof of concept purposes. The duration of this effort is for three months.