



News Release

For Immediate Release

SPACEQUEST CANADA IS GRANTED DEVELOPMENTAL LICENCE

Toronto, Canada, March 26, 2003 – SpaceQuest Canada Inc. was today granted an approval in principle for developmental authority by Industry Canada which will permit SpaceQuest to begin its phased implementation to provide satellite tracking and monitoring services throughout Canada. SpaceQuest plans to immediately seek radio licences from Industry Canada’s District Offices in Toronto and Montreal in order to operate its mobile user terminals to conduct tests and marketing activities, and to determine its operational suitability prior to obtaining a full spectrum licence. SpaceQuest will be submitting a full report on all its activities to Industry Canada at the conclusion of this developmental phase.

SpaceQuest Canada, along with its parent company SpaceQuest, Ltd. of Fairfax, Virginia, is a developer of advanced satellite technology for government, university and commercial use for almost a decade, specializing in the design, development, testing and manufacture of spacecraft as well as space and ground components for operation with low-earth orbiting satellites. SpaceQuest supports the Canadian Space Agency with the design, construction and testing of microsattellites.

“SpaceQuest believes it has developed an attractive low-cost solution for remote monitoring and tracking of assets,” said Tom Montgomery, General Manager of SpaceQuest Canada. “With its unique low-cost market solution, and a focused market entry implementation plan, SpaceQuest plans to become a major player in the remote asset monitoring market in Canada.”

SpaceQuest’s initial market focus is the energy industry, with particular emphasis on the monitoring of oil and gas wells, pipelines and propane tanks. The data communications services

provided by SpaceQuest Canada will be marketed and resold through Aprize Satellite (“Aprize”), (www.aprizesat.com), a company which was formed to market and resell SpaceQuest technology. SpaceQuest is the manufacturer of the Aprize low-Earth orbiting satellites known as the AprizeStar system, which will consist of eight satellites launched over the next three years. Upon grant of a spectrum licence by Industry Canada, the Company is ready to start selling into the market through the Aprize name.

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