FLYHT Aerospace Solutions Ltd.

TSX.V: FLY
OTCQX: FLYLF
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The following summary is subject to the express provisions of the applicable securities laws, regulations and rules, and reference is made thereto for the complete text of such provisions. Such provisions may contain limitations and statutory defences not described here on which the Company and other applicable parties may rely. Investors should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser.

The following is a summary of rights of rescission or damages, or both, available to investors resident in the province of Ontario, New Brunswick, Nova Scotia and Saskatchewan. If there is a misrepresentation herein and you are a purchaser under securities legislation in Ontario, New Brunswick, Nova Scotia and Saskatchewan you have, without regard to whether you relied upon the misrepresentation, a statutory right of action for damages, or while still the owner of the securities, for rescission against the “Company”. This statutory right of action is subject to the following: (a) if you elect to exercise the right of action for rescission, you will have no right of action for damages against the Company; (b) except with respect to investors resident in Nova Scotia, no action shall be commenced to enforce a right of action for rescission after 180 days from the date of the transaction that gave rise to the cause of action; (c) no action shall be commenced to enforce a right of action for damages after the earlier of (i) 180 days (with respect to investors resident in Ontario) or one year (with respect to investors resident in Saskatchewan and New Brunswick) after you first had knowledge of the facts giving rise to the cause of action and (ii) three years (with respect to investors resident in Ontario) or six years (with respect to investors resident in Saskatchewan and New Brunswick) after the date of the transaction that gave rise to the cause of action; (d) with respect to investors resident in Nova Scotia, no action shall be commenced to enforce a right of action for rescission or damages after 120 days from the date on which payment for the securities was made by you; (e) the Company will not be liable if it proves that you purchased the securities with knowledge of the misrepresentation; (f) in the case of an action for damages, the Company will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentations; and (g) in no case will the amount recoverable in such action exceed the price at which the securities were sold to you. The foregoing is a summary only and is subject to the express provisions of the Securities Act (Ontario), the Securities Act (New Brunswick), the Securities Act (Nova Scotia) and the Securities Act (Saskatchewan), and the rules, regulations and other instruments thereunder, and reference is made to the complete text of such provisions contained therein. Such provisions may contain limitations and statutory defences on which the Company may rely.
In Manitoba, the Securities Act (Manitoba), in Newfoundland and Labrador the Securities Act (Newfoundland and Labrador), in Prince Edward Island the Securities Act (PEI), in Yukon, the Securities Act (Yukon), in Nunavut, the Securities Act (Nunavut) and in the Northwest Territories, the Securities Act (Northwest Territories) provide a statutory right of action for damages or rescission to investors resident in Manitoba, Newfoundland, PEI, Yukon, Nunavut and Northwest Territories respectively, in circumstances where this presentation or an amendment hereto contains a misrepresentation, which rights are similar, but not identical, to the rights available to Ontario investors.

The statutory right of action described above is in addition to and without derogation from any other right or remedy at law.

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The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or applicable state securities laws, and may not be offered or sold in the “United States” or to, or for the account or benefit of, “U.S. persons” (as such terms are defined in Regulation S under the U.S. Securities Act) absent registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an exemption therefrom. This presentation does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES OR ANY CANADIAN PROVINCIAL SECURITIES REGULATOR PASSED ON THE ACCURACY OR ADEQUACY OF THIS PRESENTATION. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.
**FLYHT** - Our customers understand not only *where* their aircraft is, but *how* it is.

<table>
<thead>
<tr>
<th>Our solutions</th>
<th>$18.8 Million TTM Revenue</th>
<th>Strong Regulatory Tailwinds</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Save Aircraft Operators Money</td>
<td></td>
<td>&gt; $50 Million Backlog</td>
</tr>
<tr>
<td>- Streamline Their Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Enhance Operational Safety</td>
<td>Accelerating SaaS revenues</td>
<td>&gt; 40% total annual revenues from SaaS</td>
</tr>
<tr>
<td></td>
<td>70% - 85% margins</td>
<td></td>
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</tbody>
</table>
FLYHT: Leading Provider of Real-Time Aircraft Data Streaming Technology

The Automated Flight Information Reporting System (AFIRS™)

- Iridium-based SATCOM device installed on the aircraft
- AFIRS connects to numerous aircraft systems
- AFIRS software acquires and transmits aircraft data in real time
- Data is processed and distributed to the customer using FLYHT’s ground server network called UpTime™

HOW WE DO IT
Industry Drivers:

Commercial Aircraft Growing ~5% annually
- Doubling of worldwide fleet size in 20 years
- New carriers in developing regions: China, India, AsiaPac, Eurasia
- China largest market by 2037 with 450 airports
- Strength of single-aisle aircraft and city-to-city routes
- Aircraft innovation

Expansion of Satellite Communications in Aircraft
- Regulatory requirements*
- 1.5 Million oceanic flights/yr.
- More aircraft that travel beyond VHF coverage
- Industry taking first steps toward satellite communications replacement of HF
- No longer necessary to invest in terrestrial infrastructure

Connected Aircraft Creates Opportunity for Operational Improvements
- Real-time connection via higher bandwidth systems
- Revolutionizing Air Traffic Control
- AOC efficiencies & environmental benefits
- SaaS services continue to emerge as benefits are established
- Digitally enabled aircraft in 2018: 4%
- Digitally enabled aircraft in 2037: 80%

*Regulations
CCAR 121 R5 – December 2019 China
Airline Operations Center: aircraft within 4 minutes
UN: ICAO’s Annex 6: Operation of Aircraft
Amendment 40 – January 2021
Autonomous Distress Tracking: 1 minute intervals
Timely Access to Flight Recorder Data: recovered & available
Core Products

Unique, Value-Added Services FLYHT Upsells (SaaS)
- Saves aircraft operators money
- Streamlines their operations
- Enhances operational safety

Where FLYHT Competes
Basic product offering
Customer Specific Reporting (FLYHTHealth)

“A 1% increase in on-time performance equates to several hundreds of thousands of dollars per year in savings for a 50 aircraft operation”
## Customer Successes: Flexible Solution

<table>
<thead>
<tr>
<th>Value Proposition</th>
<th>Solution</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disaster Avoidance</td>
<td><strong>FLYHTHealth alerted customer about engine exceedance</strong></td>
<td>Replacement cost for the engine: $5.2 million</td>
</tr>
<tr>
<td></td>
<td>• Customer was able to proactively remove the aircraft from service,</td>
<td>Repair cost based on AFIRS-driven data: $780k</td>
</tr>
<tr>
<td></td>
<td>diagnose and fix</td>
<td>Net Savings &gt; $4+ million</td>
</tr>
<tr>
<td>Reduction in maintenance</td>
<td><strong>AFIRS captured Fan Blade data</strong></td>
<td>The savings associated with more beneficial profiles allowed for an additional 2 years of in-</td>
</tr>
<tr>
<td>costs</td>
<td>• Rolls Royce enabled a more trusted engine profile based on engine</td>
<td>service engine usage before taking plane out of service for mandatory fan blade replacement.</td>
</tr>
<tr>
<td></td>
<td>data captured by AFIRS and shared with Rolls Royce.</td>
<td></td>
</tr>
<tr>
<td>Lease agreement penalty</td>
<td><strong>Monitor relevant aircraft operations</strong></td>
<td>Hundreds of thousands of dollars in lease penalties saved</td>
</tr>
<tr>
<td>avoidance</td>
<td>• Lease requires 10% of takeoffs at reduced thrust. Customers able to</td>
<td></td>
</tr>
<tr>
<td></td>
<td>monitor the parameters of operations with real-time reports.</td>
<td></td>
</tr>
</tbody>
</table>
Total Addressable Market

- Total Addressable Market (40,000) (Bizjet plus Commercial)
- Commercial Addressable Market (25,000)
- FLYHT Units Shipped/Installed (2,500)
- FLYHT Units Providing SaaS (550)
FLYHT’s Weather and Satellite Data Team
October 2018 - Acquired Panasonic Weather Solutions

Experienced Personnel

- Operational sensor network since 2004
- 27 atmospheric scientists, meteorologists, and engineers

Technology and Intellectual Property

- Patented Tropospheric Airborne Meteorological Data Reporting (TAMDAR) sensor installed on commercial aircraft for collection of high-resolution weather observations
- Advanced quality assurance for data transmitted from aircraft
- Global real-time communications and data management infrastructure
- TAMDAR = Tropospheric Airborne Meteorological Data Reporting

Asset Acquisition Details

- $20M backlog
- 12 new airline customers, including Air Asia with 190ac
- Synoptic/NOAA contract for TAMDAR Weather observations
- US $3.3- $4.3M asset acquisition PAC contribution
FLYHT’s proprietary Tropospheric Airborne Meteorological Data Reporting (TAMDAR) weather sensor accurately captures:

- Wind: speed and direction
- Temperature
- Relative humidity
- Icing
- Eddy Dissipation Rate (EDR)
- Turbulence
- Position: latitude/longitude, altitude, time
2018 ECODEMONSTRATOR PROGRAM:

• Fedex B777 Freighter
• 37 different technologies tested

Boeing ecoDemonstrator - Joint Conclusion (Boeing, Embraer, FLYHT)

Whitepaper jointly presented at AEEC conference (August 2018)

“Existing, commercially available equipment and network services (FLYHT’s AFIRS and Inmarsat SwiftBroadband) are suitable for providing distress flight data streaming capabilities that support ICAO objectives”
Boeing ecoDemonstrator

Recreating the Pilot’s Experience: Virtual Cockpit

✓ Real-Time Flight Data
✓ Real-time Cockpit Area Microphone
✓ Flight Profile
✓ Map Location
✓ Aircraft Attitude
✓ Flight Deck Instrumentation
✓ Situational Awareness!
Boeing ecoDemonstrator
Streaming Black Box Data in Real-time via Inmarsat
## Competitive Advantages

### Solutions

**SatCom**
- Only current supplier for Airbus A320, A220 and A330 aircraft with Iridium systems through L3Harris partnership
- Inaugural TSO C159b voice AND data - first vendor with Technical Standard Order issued minimum performance standard
- Broadest aftermarket capabilities - STCs to install systems in the broadest number of regions and aircraft; far more than competitors
- Highest quality voice performance
- Highly proven, robust and reliable system
- Deep Iridium integration

### SaaS
- Clear leader in communication of real-time aircraft performance data including engine trends, exceedances, and diagnostics
- Holds patent for triggered streaming of Flight Data Recorder
- Delivers health data that is far more comprehensive and configurable than legacy solutions
- Broadest service offering including aircraft tracking, health monitoring, “black box” streaming, fuel management, and real-time weather

### Competition

- Thales
- Collins Aerospace
- SITA
- Avionica
- Honeywell Aerospace
- FlightAware
- Aireon
Capital Market Profile

Share Price
As of October 04, 2019 (all dollar figures are in Canadian dollars)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Price</td>
<td>$1.39</td>
</tr>
<tr>
<td>Market Capitalization</td>
<td>$28,744,932</td>
</tr>
<tr>
<td>52-week low</td>
<td>$0.94</td>
</tr>
<tr>
<td>52-week high</td>
<td>$1.90</td>
</tr>
<tr>
<td>Average Daily Volume</td>
<td>13,620</td>
</tr>
</tbody>
</table>

Share Structure
As of August 31, 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td>21,319,108</td>
</tr>
<tr>
<td>Warrants Outstanding</td>
<td>769,200</td>
</tr>
<tr>
<td>Stock Options Outstanding (weighted avg. exercise price ($1.94))</td>
<td>1,426,983</td>
</tr>
<tr>
<td>Insider Holdings (Directors and Officers)</td>
<td>5.0%</td>
</tr>
<tr>
<td>Debt (Low-interest, government debt)</td>
<td>$2.9M</td>
</tr>
<tr>
<td>Convertible Debt (8% coupon)</td>
<td>$1.7M</td>
</tr>
</tbody>
</table>
Revenue and Gross Margins

Current Backlog of > $50M

Overall Gross Margins

2018 information reflects the adoption of IFRS15 as at January 1, 2018. Under the transition method chosen for application of IFRS15, comparative 2017 information has been restated.

Annual Revenues and Other Income

Other Income: One-time IP Sale in 2016 | PWS Subsidy in 2018, June 2019 TTM
Revenue and Other Income, Annual Source

2018: $15,749,752
2017: $13,699,542
2016: $17,554,357

2018 information reflects the adoption of IFRS15 as at January 1, 2018. Under the transition method chosen for application of IFRS15, comparative 2017 information has been restated.
Topline - Expenses - Bottom Line

Holding line on Expenses while growing the Topline

- Revenue + Other Income
- Expenses (D, A, R&D)
- Income


Revenue + Other Income: $10,000,000
Expenses (D, A, R&D): $5,000,000
Income: $-5,000,000

2012: $5,000,000
2013: $5,000,000
2014: $5,000,000
2015: $5,000,000
2016: $5,000,000
2017: $5,000,000
2018: $5,000,000
1H2019: $5,000,000
2018 Geographical Revenue

> 2,500 units shipped and/or installed

> 2 million flights and

> 3 million hours of voice and data services generating SaaS revenues from Uptime Server

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>43.7%</td>
<td>$5,935,692</td>
</tr>
<tr>
<td>Europe</td>
<td>5.7%</td>
<td>$770,574</td>
</tr>
<tr>
<td>Middle East</td>
<td>13.2%</td>
<td>$1,794,439</td>
</tr>
<tr>
<td>Asia</td>
<td>23.5%</td>
<td>$3,194,342</td>
</tr>
<tr>
<td>Africa</td>
<td>4.3%</td>
<td>$588,473</td>
</tr>
<tr>
<td>Australasia</td>
<td>4.8%</td>
<td>$646,989</td>
</tr>
<tr>
<td>Central &amp; South America</td>
<td>4.9%</td>
<td>$660,007</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td><strong>16.7%</strong></td>
<td><strong>$13,590,516</strong></td>
</tr>
</tbody>
</table>

*EXCLUDES OTHER INCOME*
FLYHT Growth Drivers

**Strong Industry Tailwinds**
- Regulations, China, New aircraft

**Continued presence as established SatCom player**
- Leadership with Airbus
- Pursuing other airframers & OEMs

**Clear leader in aircraft health/diagnostic SaaS services**
- Real-time patent
- No true competition

**New Products**
- Weather acquisition
- Nextgen SatCom
- SatCom agnostic SaaS

**Expanding sales & marketing effort**
- Investment to help educate industry of SaaS benefits
## Investment Highlights

<table>
<thead>
<tr>
<th>Robust SaaS recurring revenue gross margins of <strong>70-85%</strong></th>
<th>20-year proven track record</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Five-year customer contracts</td>
<td>• 3+ million flight hours and 2+ million flights using AFIRS</td>
</tr>
<tr>
<td>• 100% retention for going concerns</td>
<td>• 80+ customers...and growing</td>
</tr>
<tr>
<td></td>
<td>• 2,500+ shipments and growing rapidly</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sustaining &gt; <strong>$50M</strong> sales backlog</th>
<th>Major growth of sales in China</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• 23 airline customers</td>
</tr>
<tr>
<td></td>
<td>• 2016: launched real-time data services in China</td>
</tr>
<tr>
<td></td>
<td>• Significant remaining opportunity in sales funnel; significant backlog</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Hardware sales with gross margin of <strong>30-40%</strong></th>
<th>Supplemental Type Certificates (~ <strong>100 STC</strong>)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• World’s most extensive Satcom catalogue</td>
</tr>
<tr>
<td></td>
<td>• Qualified on 95% of commercial aircraft types</td>
</tr>
<tr>
<td></td>
<td>• Significant barrier to entry for competitors</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Licensing arrangement with OEM ~ <strong>90%</strong> margin</th>
<th>Factory option on Airbus A320, A330 &amp; A220</th>
</tr>
</thead>
</table>

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<thead>
<tr>
<th>Well poised for accelerated growth</th>
<th>Regulatory tailwinds, International Growth, Market Leading Offerings, New products and channel expansion</th>
</tr>
</thead>
</table>
Leadership Team
Industry Veterans

Tom Schmutz
CEO

Derek Graham
CTO

Alana Forbes
CFO

Matieu Plamondon
COO

Jeff Rex
VP Sales and Marketing
Board Members for 2019

Bill Tempany
Chairman of the Board
former CEO FLYHT

Mike Brown
Partner
Geselbracht Brown LLP

Barry Eccleston
former President Airbus Americas, Inc.

Nina Jonsson
Viking Fleet Advisors
Plane View Partners

Doug Marlin
Software Entrepreneur
Marlin Ventures

Cpt. Mary McMillan
former Vice President - Inmarsat
Airline Pilot

Jack Olcott
former President
National Business Aviation Association

Mark Rosenker
former Chairman
National Transportation Safety Board
Major General, US Air Force Reserve (retired)

Paul Takalo
CPA, CA Audit Chair
The TAMDAR Difference

Forecast with TAMDAR

72 hour forecast with / without TAMDAR Data versus actual weather

US$2M/year contract with NOAA

Forecast without TAMDAR

Radar of Actual Event
FLYHT Aerospace Solutions Ltd.

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