FLYHT Aerospace Solutions Ltd.

TSX.V: FLY
OTCQX: FLYLF
Disclaimer

Forward Looking Statements

This discussion includes certain statements that may be deemed “forward-looking statements” that are subject to risks and uncertainty. All statements, other than statements of historical facts included in this discussion, including, without limitation, those regarding the Company’s financial position, business strategy, projected costs, future plans, projected revenues, objectives of management for future operations, the Company’s ability to meet any repayment obligations, the use of non-GAAP financial measures, trends in the airline industry, the global financial outlook, expanding markets, research and development of next generation products and any government assistance in financing such developments, foreign exchange rate outlooks, new revenue streams and sales projections, cost increases as related to marketing, research and development (including AFIRS 228), administration expenses, and litigation matters, may be or include forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on a number of reasonable assumptions regarding the Canadian, U.S., and global economic environments, local and foreign government policies/regulations and actions and assumptions made based upon discussions to date with the Company’s customers and advisers, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include production rates, timing for product deliveries and installations, Canadian, U.S., and foreign government activities, volatility of the aviation market for the Company’s products and services, factors that result in significant and prolonged disruption of air travel worldwide, U.S. military activity, market prices, foreign exchange rates, continued availability of capital and financing and general economic, market, or business conditions in the aviation industry, worldwide political stability or any effect those may have on our customer base. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to have been correct. The Company cannot assure investors that actual results will be consistent with any forward-looking statements; accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements contained herein are current only as of the date of this document. The Company disclaims any intentions or obligation to update or revise any forward-looking statements or comments as a result of any new information, future event or otherwise, unless such disclosure is required by law.
**FLYHT** - We help customers understand not just _where_ their aircraft is, but _how_ it is.

**Our solutions**
- Save Aircraft Operators Money
- Streamline Their Operations
- Enhance Operational Safety

$18.8$ Million TTM Revenue

Accelerating SaaS revenues
70% - 85% margins

> $54$ Million Backlog

Strong Regulatory Tailwinds
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:

Global

UN: ICAO’s Annex 6: Operation of Aircraft
Amendment 39 - November 2018
• Normal Aircraft Tracking: 15 minute intervals
Amendment 40 - January 2021
• Autonomous Distress Tracking: 1 minute intervals
• Timely Access to Flight Recorder Data: recovered & available

China

CAAC legislated SATCOM regulations
CCAR 121 R5 - December 2019
• Airline Operations Center: aircraft within 4 minutes

Destination China!
• 25% of aircraft on order
• FLYHT has captured 23 of 57 carriers
• 74 new civil airports being built by 2020. 216 new airports by 2035!
### Core Products

**Iridium SATCOM**
- FLYHTVoice
- FLYHTMail
- ACARS over Iridium

**Enhanced Global Flight Tracking**
- FLYHTLog
- FLYHTASD
- AirMap

**Aircraft Health Monitoring**
- FLYHTHealth
  - Engine Trends
  - Exceedances
  - Diagnostics

**FDR Streaming**
- FLYHTStream

**Fuel Management**
- FLYHTFuel

**Weather Observations**
- TAMDAR

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

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**Where FLYHT Competes**
Basic product offering
“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><strong>Disaster Avoidance</strong></td>
<td>FLYHTHealth alerted customer about engine exceedance</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, diagnose and fix</td>
<td>Repair cost based on AFIRS-driven data: $780k</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Net Savings &gt; $4+ million</td>
</tr>
<tr>
<td><strong>Reduction in maintenance costs</strong></td>
<td>AFIRS captured Fan Blade data</td>
<td>The savings associated with more beneficial profiles allowed for an additional 2 years of in-service engine usage before taking plane out of service for mandatory fan blade replacement.</td>
</tr>
<tr>
<td></td>
<td>• Rolls Royce enabled a more trusted engine profile based on engine data captured by AFIRS and shared with Rolls Royce.</td>
<td></td>
</tr>
<tr>
<td><strong>Lease agreement penalty avoidance</strong></td>
<td>Monitor relevant aircraft operations</td>
<td>Hundreds of thousands of dollars in lease penalties saved</td>
</tr>
<tr>
<td></td>
<td>• Lease requires 10% of takeoffs at reduced thrust. Customers able to 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

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

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
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”
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
Boeing ecoDemonstrator
Streaming Black Box Data in Real-time via Inmarsat
# AFIRS - Competitive Advantages

<table>
<thead>
<tr>
<th>FLYHT</th>
<th>Other Satcom OEM</th>
<th>Tracking Solutions</th>
<th>QAR/Health Monitoring</th>
<th>Feature</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Global Voice Communications</td>
</tr>
<tr>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td>FANS/Safety Services</td>
</tr>
<tr>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td>ACARS over Iridium</td>
</tr>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>QAR</td>
</tr>
<tr>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>Aircraft Health Monitoring (Trends &amp; exceedances - engine/airframe)</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>ICAO: Global Flight Tracking</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
<td>Autonomous Distress Tracking</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>Live Black Box Streaming</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>Real-time TAMDAR 4D weather observations</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>Real-time Systems Diagnostics</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>TSO C-159A (Voice &amp; Data)</td>
</tr>
<tr>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>STCs Supporting 95% of Air Transport Aircraft</td>
</tr>
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</table>
Capital Market Profile

Share Price
As of September 6, 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>$1.46</td>
</tr>
<tr>
<td>Market Capitalization</td>
<td>$30,192,518</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 April 17, 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td>21,088,340</td>
</tr>
<tr>
<td>Warrants Outstanding</td>
<td>769,200</td>
</tr>
<tr>
<td>Stock Options Outstanding (weighted avg. exercise price ($2.07))</td>
<td>1,063,865</td>
</tr>
<tr>
<td>Insider Holdings (Directors and Officers)</td>
<td>5.2%</td>
</tr>
<tr>
<td>Debt (Low-interest, government debt)</td>
<td>$2.7M</td>
</tr>
<tr>
<td>Convertible Debt (8% coupon)</td>
<td>$2M</td>
</tr>
</tbody>
</table>
Revenue and Gross Margins

Current Backlog of > $54M

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.

Other Income: One-time IP Sale in 2016 | PWS Subsidy in 2018, June 2019 TTM
FLYHT Quarterly Revenue (includes Other Income)

- Other Income
- Tech Services
- License/Parts Sales
- HW sales
- SaaS

SaaS Quarterly Revenue

- Q3 2017
- Q4 2017
- Q1 2018
- Q2 2018
- Q3 2018
- Q4 2018
- Q1 2019
- Q2 2019
Revenue and Other Income, Annual Source

<table>
<thead>
<tr>
<th>Source</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Income</td>
<td>13.4%</td>
<td>18.4%</td>
<td>0.0%</td>
</tr>
<tr>
<td>SaaS</td>
<td>24.9%</td>
<td>31.5%</td>
<td>24.4%</td>
</tr>
<tr>
<td>Hardware</td>
<td>34.0%</td>
<td>36.6%</td>
<td>39.8%</td>
</tr>
<tr>
<td>Licensing</td>
<td>27.4%</td>
<td>31.1%</td>
<td>14.4%</td>
</tr>
<tr>
<td>Technical Services</td>
<td>1.6%</td>
<td>1.4%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>

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

Yearly Revenue and Expenses Graph

2012: $10,000,000 - $5,000,000
2013: $5,000,000
2014: $10,000,000
2015: $15,000,000
2016: $20,000,000
2017: $15,000,000
2018: $10,000,000
1H2019: $5,000,000
2,200 AFIRS units shipped and/or installed

2+ million flights

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>Central &amp; South America</td>
<td>4.9%</td>
<td>$588,473</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>Africa</td>
<td>4.3%</td>
<td>$588,473</td>
</tr>
<tr>
<td>Asia</td>
<td>23.5%</td>
<td>$3,194,342</td>
</tr>
<tr>
<td>Australasia</td>
<td>4.8%</td>
<td>$646,989</td>
</tr>
</tbody>
</table>

Revenue* $13,590,516

Licensing 16.7% $2,265,262

* EXCLUDES OTHER INCOME
## Investment Highlights

| Robust SaaS recurring revenue gross margins of **70-85%**  
| • Five-year customer contracts  
| • 100% retention for going concerns | 20-year proven track record  
| • 3+ million flight hours and 2+ million flights using AFIRS  
| • 80+ customers...and growing  
| • 2,500+ shipments and growing rapidly |

| Sustaining > **$54M** sales backlog |

| Hardware sales with gross margin of **30-40%** | Major growth of sales in China  
| • 23 airline customers  
| • Contracted with 4 new airlines in 2017; 8 airlines in 2016  
| • 2016: launched real-time data services in China  
| • Significant remaining opportunity in sales funnel; significant backlog |

| Licensing arrangement with OEM ~**90%** margin | Supplemental Type Certificates (> **100 STC**)  
| • World’s most extensive Satcom catalogue  
| • Qualified on 95% of commercial aircraft types  
| • Significant barrier to entry for competitors |

| Regulatory requirements driving growth | Factory option on Airbus A320, A330, A220 and Bombardier CRJ |

|  | ICAO Annex 6 Amendment 40  
| China CCAR 121 Revision 5 |
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

72 hour forecast with / without TAMDAR Data versus actual weather

US$2M/year contract with NOAA

Forecast with TAMDAR

Forecast without TAMDAR

Radar of Actual Event
FLYHT Aerospace Solutions Ltd.

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