



WORLD'S LARGEST COMMERCIAL SATELLITE ARRIVES AT LAUNCH FACILITY

Terrestar-1 Will Provide Mobile Services For Critical Communications Using Conventionally-Sized Dual Mode Handsets

RESTON, VA, and Palo Alto, CA, May 18, 2009 – TerreStar Networks, a majority owned subsidiary of TerreStar Corporation (NASDAQ: TSTR), and Space Systems/Loral, the leading provider of commercial satellites today, announced that TerreStar-1 has arrived on schedule in Kourou, French Guiana where it is scheduled to launch on June 24th aboard the Ariane 5 heavy lift launch vehicle.

TerreStar-1 will be the largest commercial satellite ever launched and is designed to provide integrated satellite and terrestrial mobile services for critical communications using conventionally-sized dual mode handsets.

"The arrival of TerreStar-1 signals the start of final launch preparations," said Jeffrey Epstein, President of TerreStar Networks. "Once launched, TerreStar-1 will allow us to deliver on the vision of an integrated satellite and terrestrial mobile service that enables next generation applications anytime, anywhere."

Dennis Matheson, TerreStar Networks CTO said, "The design, manufacture and delivery of TerreStar-1 has been a team effort. We have relied on our colleagues at Space Systems/Loral for their experience and support in delivering the integrated satellite and ground system that makes our new services possible. We now look forward to a flawless launch by our partner Arianespace."

"It has been a pleasure working with TerreStar Networks on this challenging project," said John Celli, president and chief operating officer at Space Systems/Loral. "With its 18-meter unfurlable reflector and extraordinarily powerful S-Band feed array, TerreStar-1 was designed to provide next generation capability for mobile devices."

Ideally suited to provide critical services to government, emergency responders, rural communities and commercial users, the satellite uses 2 GHz spectrum to provide voice, data and video communications to satellite/terrestrial mobile devices the size of a typical smart phone. Space Systems/Loral, working with Hughes Network Systems, has developed a two-way ground based beam forming technology that enables the satellite to reallocate resources based on demand, thereby maximizing capacity.

TerreStar-1 is based on SS/L's 1300 space-proven platform, which provides the flexibility to support a broad range of applications and technology advances. The satellite will be capable of generating over five hundred spot beams covering the Continental U.S., Canada, Alaska, Hawaii, Puerto Rico and the U.S. Virgin Islands.

About TerreStar Networks

TerreStar Networks (www.terrestar.com), a majority owned subsidiary of TerreStar Corporation (NASDAQ:TSTR), plans to offer a reliable and secure satellite terrestrial mobile broadband network that will provide voice, data and video services dedicated to helping solve the critical communication and business continuity challenges faced by government, emergency responders, enterprise businesses and rural communities. TerreStar expects to offer next generation mobile communications through a network of partners and service providers to users who need "anywhere" coverage throughout the United States and Canada.

About Space Systems/Loral

Based in Palo Alto, California, SS/L designs and builds satellites and spacecraft systems for commercial and government customers around the world. As the leading provider of commercial satellites, the company works closely with satellite operators to deliver spacecraft for a broad range of services including direct-to-home television, digital audio radio, broadband Internet, and digital multimedia broadcasting. With more active transponders on 3-axis controlled spacecraft than any other satellite manufacturer, SS/L

helps customers meet business objectives with advanced solutions based on space-proven heritage designs. For more information, visit www.ssloral.com.

About Loral Space & Communications

Loral Space & Communications is a satellite communications company. Through its Space Systems/Loral subsidiary, the company is a world-class leader in the design and manufacture of satellites and satellite systems for commercial and government applications including direct-to-home television, broadband communications, wireless telephony, weather monitoring and air traffic management. Loral also owns 64 percent of Telesat, one of the world's largest providers of satellite services. Telesat operates a fleet of telecommunications satellites used to broadcast video entertainment programming, distribute direct-to-home video and broadband data services, and other value-added communications services. For more information, visit Loral's web site at www.loral.com.

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