## **Trade Press Release**





### CAE and Pinnacle Solutions joint venture Xebec awarded contract to provide Maritime Integrated Training Systems to U.S. Army

*Tampa, Florida and Huntsville, Alabama, May 4, 2021* – (NYSE: CAE; TSX: CAE) – CAE USA and Pinnacle Solutions today announced their joint venture company Xebec Government Services has been awarded a contract to provide the United States Army with a new and upgraded Maritime Integrated Training System (MITS).

The MITS is a suite of simulation systems designed to train the Army's personnel who operate a range of watercraft, including logistics support vessels, maneuver transport vessels, large landing craft, and expeditionary fast transports. The U.S. Army Transportation School's Maritime & Intermodal Training Department (M&ITD) oversees the MITS located at Ft. Eustis, Virginia.

Under terms of the contract, Xebec will be responsible for a comprehensive upgrade and technology refresh of all the existing MITS configurations, including Expeditionary Fast Transport simulation, Full Mission Bridge simulator, and Vessel Defense Simulator. In addition, Xebec will develop and deliver new simulation systems for the Maneuver Support Vessel (Light) and Vessel Handling Workstation to be integrated to the overall MITS. All elements of the Maritime Integrated Training System are designed to operate as a standalone simulator for individual training or as an integrated and networked system for full-crew mission training.



Xebec will upgrade the U.S. Army's existing Maritime Integrated Training System while adding new simulation systems and capabilities. Image courtesy U.S. Army PEO-STRI.

"This is a new program for CAE USA and Pinnacle through our Xebec joint venture and continues our growth in providing training solutions for a variety of surface ships," said Ray Duquette, President and General Manager, CAE USA. "The Maritime Integrated Training System delivers a virtual training environment that is critical to providing both enlisted and officer personnel with immersive and realistic training scenarios."

As part of the technology refresh, Xebec will update the existing MITS to use the latest version of General Dynamics VirtualShip<sup>®</sup> virtual reality software suite. The MITS upgrade will address a range of cybersecurity requirements and will also include enhancements to the instructor operator station, after action review station, and scenario generation system.

"Pinnacle, as the Xebec JV managing partner, is pleased to build on the outstanding collaboration with CAE that started with the successful Littoral Combat Ship simulator program for the U.S. Navy and will now continue with the Maritime Integrated Training System for the U.S. Army," said Mike Durant, Pinnacle's President and CEO.

The MITS delivery order was awarded to Xebec, which was established under the U.S. Small Business Administration's Mentor-Protégé program. The contract was awarded by the Naval Air Warfare Training Systems Division (NAWCTSD) under the Navy's Training Systems Contract IV (TSC IV) indefinite delivery/indefinite quantity (ID/IQ) contract vehicle. NAWCTSD worked closely with the U.S. Army's Program Executive Office for Simulation, Training and Instrumentation (PEO-STRI).

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#### About Pinnacle

Pinnacle is a leading innovator and provider of manned and unmanned operator and maintenance products and services with proven expertise in training system development, sustainment, and modification, live, virtual, and augmented training environments, interactive multimedia instruction, and technical publication development. Pinnacle, an employee owned company, has demonstrated the capacity to deliver results for the Department of Defense (DOD), National Aeronautics and Space Administration (NASA), commercial and international customers. Pinnacle's training system experience spans the air (rotary and fixed wing), ground, surface, and unmanned (air and ground) domains.

Pinnacle's size, organizational structure, and business processes enable its teams to remain flexible and responsive to the critical training needs of their customers. Pinnacle's highly qualified engineering team has led and supported the modification, development, and production of motion and non-motion training devices for multiple weapons systems. Additionally, Pinnacle provides a full range of domestic and international flight operations and training services for manned and unmanned aircraft. Pinnacle's breadth and depth of experience, combined with its solution forward thinking, has enabled continued success in the development of innovative solutions and superior results.

#### About CAE

CAE's Defense & Security business unit focuses on helping prepare our customers to develop and maintain the highest levels of mission readiness. We are a world-class training and mission systems integrator offering a comprehensive portfolio of training and operational support solutions across multi-domain operations – air, land, sea, space and cyber. We serve our global defence and security customers through regional operations in Canada; the United States/Latin America; Europe/Middle East; and Asia-Pacific, all of which leverage the full breadth of CAE's capabilities, technologies and solutions.

CAE is a high technology company, at the leading edge of digital immersion, providing solutions to make the world a safer place. Backed by a record of more than 70 years of industry firsts, we continue to reimagine the customer experience and revolutionize training and operational support solutions in civil aviation, defense and security, and healthcare. We are the partner of choice to customers worldwide who operate in complex, high-stakes and largely regulated environments, where successful outcomes are critical. Testament to our customers' ongoing needs for our solutions, over 60 percent of CAE's revenue is recurring in nature. We have the broadest global presence in our industry, with approximately 10,000 employees, 160 sites and training locations in over 35 countries. <u>www.cae.com</u>

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