

Trade press release

CAE Healthcare expands distributor agreement with Strategic Operations for medical simulation trauma surgical suits

San Diego, California, USA, January 16, 2016 – CAE Healthcare announced today that it now has secured the rights to distribute the Strategic Operations (STOPS) Surgical Cut Suit and other simulation training products in the United States. Following the announcement in September that the company had gained worldwide distribution rights outside the U.S., the two companies expanded their partnership to give CAE Healthcare distribution rights for U.S. civilian training centers and for U.S. military customers.

CAE Healthcare and STOPS will collaborate to present Cut Suit demonstrations at the International Meeting for Simulation in Healthcare (IMSH) in San Diego, USA, January 16-20. During the preconference sessions, STOPS will host two live, off-site immersive simulation events, an active shooter scenario and a mass casualty scenario.

Designed for point-of-injury care, the Surgical Cut Suit and Emergency Medical Services/Tactical Combat Casualty Care (EMS/TCCC) Cut Suit vest can be worn by an actor or zipped around a manikin to simulate traumatic, life-threatening injuries. The Cut Suits allow first responders and physicians to practice performing surgical and emergency procedures in real time.

"Immediately after we signed the first agreement with STOPS, our U.S. customers began asking for the Cut Suit," said Dr. Robert Amyot, President of CAE Healthcare. "Clearly, the simulation community in the U.S. recognizes the value of the Cut Suit in providing hands-on training that can advance clinical competency and help to save more lives."

"We are very excited about our expanded relationship with CAE Healthcare," said Kit Lavell, Executive Vice President of STOPS, "as it gives us a greater ability to provide our products to the U.S. civilian and military medical simulation market."

The Surgical Cut Suit procedures include hemorrhage control by tourniquet or by suturing and stapling of internal organs, arterial ligation or clamping, surgical cricothyrotomy, needle thoracentesis, suturing of internal organs and skin and peripheral IV access. Both types of suits can be customized based on the scenario and are repairable for multiple uses.

In addition to demonstrating the products at IMSH, CAE Healthcare and STOPS will collaborate on a live, multiple casualty disaster drill at the Human Patient Simulation Network (HPSN) World conference in Tampa, USA February 16-20, 2016.

About Strategic Operations

Strategic Operations Inc., on the lot of Stu Segall Productions, a full-service TV / movie studio in San Diego, Calif., provides "Hyper-Realistic[™]" training services and products for military, law enforcement and other organizations responsible for homeland security. The company employs state-of-the-art Hollywood battlefield special effects, combat wound effects, medical simulation systems like the "Cut Suit," role players, subject matter experts, and training scenarios to create training environments that are the most unique in the industry. Over the last 13 years Strategic Operations has provided Hyper-Realistic[™] training support to more than 750,000 military, law enforcement, and civilian first responders. STOPS Tactical Training Canada LLC, a subsidiary of Strategic Operations, has headquarters in Alberta, Canada. For more information, visit <u>www.strategic-operations.com</u>.

Follow us on Twitter @ StrategicOps.



About CAE Healthcare

CAE Healthcare offers cutting-edge learning tools to healthcare students and professionals, allowing them to develop practical experience through risk-free simulation training before treating real patients. CAE Healthcare's full spectrum of simulation solutions includes surgical and imaging simulation, curriculum, the LearningSpace audiovisual and center management platform and highly realistic adult, pediatric and baby patient simulators. Today, approximately 9,000 CAE Healthcare simulators and audiovisual solutions are in use worldwide by medical schools, nursing schools, hospitals, defence forces and other entities. www.caehealthcare.com

About CAE

CAE (NYSE: CAE; TSX: CAE) is a global leader in the delivery of training for the civil aviation, defence and security, and healthcare markets. We design and integrate the industry's most comprehensive training solutions, anchored by the knowledge and expertise of our 8,000 employees, our world-leading simulation technologies and a track record of service and technology innovation spanning seven decades. Our global presence is the broadest in the industry, with 160 sites and training locations in 35 countries, including our joint venture operations, and the world's largest installed base of flight simulators. Each year, we train more than 120,000 civil and defence crewmembers, as well as thousands of healthcare professionals. www.cae.com

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30 -

This press release was issued to trade media.

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