Trade Press Release



CAE and Pinnacle Solutions prepare to deliver Littoral Combat Ship simulators to U.S. Navy

Tampa, Florida, USA, February 9, 2021 – (NYSE: CAE; TSX: CAE) – Today at the CAE OneWorld virtual conference and tradeshow, CAE USA and Pinnacle Solutions announced their joint venture company Xebec will be delivering the first three Littoral Combat Ship (LCS) Bridge Part-Task Trainers (BPTTs) to the United States Navy.

The new LCS BPTTs recently completed factory acceptance testing at CAE's facility in Tampa, Florida and will now be packed and shipped to the Navy's Surface Warfare Schools Command (SWSC) in Newport, Rhode Island. The SWSC is the Navy's "Center of Excellence" for surface warfare where training for officers and sailors who will serve on the Navy's surface combatants is delivered.

"The Navy is focused on navigation and seamanship training and these Littoral Combat Ship simulators will greatly assist in this endeavor," said Michael Beard, Program Manager, U.S. Navy LCS Training Systems. "The more training our officers and sailors receive ashore, the better prepared they will be at sea in real life situations."

CAE is featuring a video demonstration of the Littoral Combat Ship bridge simulators in the Innovation Hub as part of the CAE OneWorld virtual conference and tradeshow, which began today and is free to all attendees who register at <u>https://www.caeoneworld2021.com/</u>. CAE OneWorld 2021 will be available online for the next month.

Included in the initial delivery to the SWSC in Newport will be two LCS BPTTs for the LCS2 Independence-variant manufactured by General Dynamics, and one LCS BPTT for the LCS1 Freedom-variant manufactured by Lockheed Martin. The three LCS BPTTs will undergo site acceptance testing once installed in Newport and are expected to be ready for training by the end of April. Xebec is under contract to deliver four additional LCS BPTTs which will be delivered to the Littoral Combat Ship training facilities located in San Diego, California and Mayport, Florida.

"The fidelity and flexibility of the Littoral Combat Ship simulators we have developed will allow the Navy to deliver most of the personnel qualification standards training in a simulation-based environment," said Ray Duquette, President and General Manager, CAE USA. "This means when sailors get to their assigned ship they will be better prepared for the navigation and operational assignments required."

The LCS BPTTs are being developed by Xebec, which is joint venture of CAE USA and Pinnacle Solutions established under the U.S. Small Business Administration's Mentor-Protégé program.



Two Littoral Combat Ship Bridge Part-Task Trainers representing the General Dynamics Independencevariant will be delivered to the Navy's Surface Warfare Schools Command in Newport, Rhode Island.



This LCS1 BPTT simulating the Lockheed Martin Freedom-variant of the Navy's Littoral Combat Ship will be ready for training soon at the Surface Warfare Schools Command in Newport, Rhode Island.



The Littoral Combat Ship simulators are one of the featured demonstrations in the Innovation Hub at the CAE OneWorld virtual conference and tradeshow.

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"We were pleased to establish the Xebec joint venture with CAE and the collaboration has resulted in a very successful Littoral Combat Ship simulator program for the Navy," said Mike Durant, Pinnacle's President and CEO. "We look forward to continuing deliveries of the LCS simulators to the Navy and to future pursuits with CAE through the Xebec joint venture."

About Pinnacle

Pinnacle Solutions 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.

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 defense 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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