



Trade Press Release

GA-ASI and CAE expand partnership beyond Canada

- ***New working agreement envisions integration of simulation systems for global sales***

PARIS AIR SHOW, Paris, France –June 18, 2013 – General Atomic Aeronautical Systems, Inc. (GA-ASI), a leading manufacturer of Remotely Piloted Aircraft (RPA), tactical reconnaissance radars, and electro-optic surveillance systems, and CAE, a world leader in simulation and mission training systems, today announced that the companies have signed a Memorandum of Understanding (MOU) to pursue opportunities to integrate CAE's simulation systems with GA-ASI's RPA for the purpose of offering international customers a comprehensive training solution.

GA-ASI and CAE have been teamed for the past two years to offer the Predator B and/or Predator C Avenger RPA to meet Canada's Intelligence, Surveillance, Target Acquisition, and Reconnaissance (ISTAR) needs.

"We are pleased to expand our partnership with CAE to focus on international opportunities beyond Canada, enabling us to offer a global training solution for our aircraft" said Frank Pace, President, Aircraft Systems Group, GA-ASI. "CAE's expertise in modeling and simulation technologies and integrated training services, including extensive experience in aircraft mission training systems and simulators for RPA, is a strong complement to GA-ASI's proficiency in the design and manufacture of proven, reliable aircraft systems and Ground Control Systems [GCS]."

Specifically, GA-ASI and CAE will explore collaboration to develop an Unmanned Aircraft System (UAS) Mission Training System for Predator[®] B/MQ-9/Reaper, Predator C Avenger[®], and Predator XP. In addition, if the agreement results in a training partnership, this may assist GA-ASI in satisfying its anticipated Canadian Industrial and Regional Benefits (IRB) obligations related to the potential procurement of the company's RPA under Canada's Joint Unmanned Surveillance and Target Acquisition System (JUSTAS) program.

This planned collaboration helps demonstrate GA-ASI's commitment to Canadian industry and to the key industrial capabilities that they offer globally. Through this partnership, CAE and other Canadian suppliers may have greater opportunities in the rapidly growing unmanned global market. These opportunities, if realized, will strengthen the Canadian defence industrial base directly, protecting Canada's economic and security interests while creating high-quality and innovative jobs for Canadians in this critical defence industry.

"We are pleased to be able to work on expanding our existing relationship with GA-ASI for the JUSTAS program pursuit in Canada and now begin discussions on offering a world-class training solution to international operators of the company's Remotely Piloted Aircraft," said Gene Colabattisto, Group President, Military Products, Training and Services, CAE. "As unmanned systems continue to take on increasing importance on today's battlefield and become more complex to operate, there is a growing need for simulation-based training. Our UAS mission training systems, including our new UAS Mission Trainer product, are ideal for training and preparing the entire mission crew in a cost-effective synthetic environment."

The GA-ASI/CAE effort will focus initially on exploring the integration of GA-ASI's GCS and aircraft system with CAE's UAS Mission Trainer, including aircraft and sensor control and mission execution. In

parallel, GA-ASI and CAE jointly may market the prospective integrated simulator/training systems to international customers.

About GA-ASI

General Atomics Aeronautical Systems, Inc., an affiliate of General Atomics, delivers situational awareness by providing remotely piloted aircraft, radar, and electro-optic solutions for military and commercial applications worldwide. The company's Aircraft Systems Group is a leading designer and manufacturer of proven, reliable remotely piloted aircraft systems, including Predator A, Predator B, Gray Eagle[®], the new Predator C Avenger and Predator XP. It also manufactures a variety of solid-state digital Ground Control Stations (GCS), including the next-generation Advanced Cockpit GCS, and provides pilot training and support services for RPA field operations. The Reconnaissance Systems Group designs, manufactures, and integrates the Lynx[®] Multi-mode Radar and sophisticated Claw[®] sensor control and image analysis software into both manned and remotely piloted aircraft. It also develops and integrates other sensor and communication equipment into manned ISR aircraft and develops emerging technologies in solid-state lasers, electro-optic sensors, and ultra-wideband data links for government applications. For more information, please visit www.ga-asi.com.

About CAE

CAE is a global leader in modeling, simulation and training for civil aviation and defence. The company employs approximately 8,000 people at more than 100 sites and training locations in approximately 30 countries. CAE offers civil aviation, military, and helicopter training services in more than 45 locations worldwide and trains approximately 100,000 crewmembers yearly. In addition, the CAE Oxford Aviation Academy offers training to aspiring pilot cadets in 11 CAE-operated flight schools. CAE's business is diversified, ranging from the sale of simulation products to providing comprehensive services such as training and aviation services, integrated enterprise solutions, in-service support and crew sourcing. The company applies simulation expertise and operational experience to help customers enhance safety, improve efficiency, maintain readiness, and solve challenging problems. CAE is leveraging its simulation capabilities in new markets such as healthcare and mining. www.cae.com

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High-resolution photos of GA-ASI RPA and the CAE UAS Mission Trainer are available upon request to qualified media outlets from the GA-ASI media contact listed below and at www.cae.com/photos.

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