For Immediate Release

Adacel Receives US$2.2M in Contract Extensions From Lockheed Martin
Adacel to Continue Software Support

Orlando, Florida (August 21, 2006) - Adacel, an industry leader in software integration, simulation development and speech recognition technology, announced today it has received additional contract amendments from Lockheed Martin to support work on the Federal Aviation Administration's (FAA) En Route Automation Modernization (ERAM) and Advanced Technologies and Oceanic Procedures (ATOP). The total value of the new contractual amendments is US$2.2 million.

FAA's ERAM program – designed and implemented by Lockheed Martin – replaces existing US En Route air traffic control automation systems and infrastructure with new and enhanced safety, surveillance and decision making tools for air traffic controllers. When fully deployed by 2009, ERAM will enable controllers to manage more than double the number of current flight plans, and use data from nearly three times the number of surveillance sources over the current system. Under the program, Adacel will continue to provide support to Lockheed Martin for software development.

FAA's ATOP program – also designed and implemented by Lockheed Martin – modernizes air traffic control throughout US oceanic airspace. ATOP provides air traffic controllers with a set of integrated decision making tools to potentially reduce aircraft separation standards from 100 nautical miles to 30. ATOP is currently operational at FAA centers in New York, NY; Oakland, CA; and Anchorage, AK. Under the program, Adacel will continue to provide support to Lockheed Martin for its air traffic management software.

Both ERAM and ATOP provide foundation technologies that will support next-generation technologies used by controllers to manage the projected three-fold increase in National Airspace System capacity by 2025.

"Adacel is extremely proud to continue to support Lockheed Martin's initiatives to integrate and modernize FAA's air traffic management systems," Adacel's North America CEO Fred Sheldon said. "We have worked diligently to contribute to the success of these critical programs that enhance the efficiency of US and international air space operations."

About Adacel

Adacel provides software and systems solutions across the globe. The company is a supplier of critical, air traffic management, speech recognition, aviation, security and defense software and simulation systems for government and commercial customers. With a commitment to customer support and leading edge technology, Adacel's products can be found in more than 30 countries.

Adacel was established in 1987 and listed on the Australian Stock Exchange in 1998 (ASX: ADA). The Company's U.S. operations are headquartered in Orlando, Florida. Adacel also has offices in Washington, D.C., Montreal Canada and Melbourne, Australia. For more information please visit us at www.adacel.com

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