

FOR IMMEDIATE RELEASE

SNC/MSI Team Aiming for the Ultimate Frontier

Reno, Nevada – January 3, 2008 – Sierra Nevada Corporation (SNC) has acquired MicroSat Systems, Inc. in Littleton, Colorado, making MicroSat Systems a wholly owned subsidiary.

“The acquisition of MicroSat Systems represents an exciting and synergistic expansion of SNC’s proven system integration, communications, networking, and intelligence capabilities,” said Fatih Ozmen, CEO of Sierra Nevada. “A space capability will further expand SNC’s ability to offer unique solutions to its customers within both the government and commercial markets.”

MicroSat Systems is a leader in the small satellite market and has developed a line of spacecraft products that has the potential to be a disruptive technology. MicroSat Systems is providing reliable and capable spacecraft at an affordable price with only an 18-month lead time. The missions they support are not necessarily as complex as larger spacecraft, but for the price and schedule they still meet important needs. MicroSat Systems provides the space industry a product line of small satellite buses based on a modular bus design that has proven flight success. The bus can be customized as needed for different mission applications and customer requirements. Unique capabilities of MicroSat System’s buses include: better payload mass fraction, power, data processing, and pointing accuracy than comparably priced satellites. MicroSat Systems achieved flight heritage on December 16, 2006 with the launch of TacSat-2, the first operationally responsive space satellite. The launch and operation of TacSat-2 demonstrated MicroSat System’s ability to provide a high performance satellite in a rapid development timeline, for a low cost.

“We believe that MSI’s offerings will prove to be a disruptive technology in the satellite industry the way that things like digital cameras and personal computing devices have been in other high-tech markets,” said MicroSat President John Roth. “With the financial backing and new customer access that SNC will provide we can offer these products to a larger customer base.”

SNC’s strategy of having an in-house satellite and space expertise is based on its vision of providing innovative net-centric solutions by synergistically connecting numerous platforms and domains from the Earth’s surface all the way to orbit. SNC has decades of successful integration and turn-key systems capabilities with many different platforms on land, sea and air. Expansion of these capabilities into the space domain has started

over a year ago by successfully collaborating with MSI to provide complete system solutions by combining each other's unique and complementary capabilities.

This acquisition will enhance SNC's increased presence in the Denver area with the growth of its Intelligence, Surveillance, Reconnaissance (ISR) engineering and aviation capability and the recent acquisitions of Straight Flight, Inc (SFI) and Straight Flight Conversions, Inc (SFC). These FAA/EASA Certified Repair Station operations, located at the Centennial Airport on the South Side of the Denver Metro area, conduct commercial aircraft modification, installation, and maintenance activities as a commercial subsidiary of SNC.

About Microsat Systems Inc.

MicroSat Systems, Inc. (www.microsatsystems.com) offers high performance small satellites and spacecraft subsystems including; space power systems, advanced miniaturized avionics and lightweight composite structures, to government and commercial customers. MicroSat is currently building the Demonstration and Science Experiment (DSX) spacecraft for the Air Force and is also developing advanced spacecraft subsystems in thin-film solar arrays, plug and play avionics and lightweight structures. MicroSat Systems was founded in April 2001 as a spin-off to a high technology research and development company, ITN Energy Systems in order to execute an Air Force contract for three, high performance 200kg class satellites with Synthetic Aperture Radar (SAR) payloads called the TechSat 21 program. This program provided MicroSat its foundation in the satellite business. On September 24, 2007 MicroSat Systems was recognized by Aviation Week and Space Technology Magazine as the Small Company Product Breakthrough Award Winner for the TacSat-2 Satellite. In awarding the prize to MicroSat Systems, the judges at Aviation Week cited the viability of TacSat-2, particularly in light of the current military theater needs, and lauded the attempt to revitalize the small satellite industry.

About Sierra Nevada Corporation

Sierra Nevada Corporation (SNC) is an Electronic Systems and Integration enterprise established in 1963 and provides full service products and turn-key capabilities as an experienced in research, development, manufacturing, integration and logistical support company serving the US Government and other customers. It specializes in systems and equipment for Command, Control, Communications, Computers and Networks (C4N) markets, as well as for Intelligence, Surveillance and Reconnaissance (ISR) applications. SNC also designs, manufactures and integrates Communication, Navigation, Surveillance and Air Traffic Management (CNS/ATM) systems, and has integrated capabilities in Aircraft modifications and systems with its Integrated Mission Systems (IMS) business area. In addition, SNC has well recognized expertise in the areas of Electronic Warfare and Range Instrumentation (EW/RI) and Sensor Systems and Technologies (SST) businesses. SNC's home office is located in Sparks, Nevada, adjacent to Reno. SNC has over 1,000 employees with 22 office locations in 18 states across the United States. SNC's agile and leading edge technology/systems

integrations expertise, coupled with a strong and debt-free financial foundation, provides a unique capability to deliver turn-key systems as well as producing, testing, fielding and providing comprehensive logistics support to the products we design. SNC is ISO 9001:2000 certified and our quality standards are the highest in the industry.