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News Release

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IAI and Sky Sapience Partner on Tethered Hovering Aerial Systems

AUVSI - ATLANTA, GA (May 4, 2015) - Israel Aerospace Industries (IAI) and Sky Sapience signed an agreement for the development, marketing and production of new tethered hovering aerial systems. IAI and Sky Sapience plan to use and integrate existing capabilities and products from both companies on board the systems geared towards defense, homeland security, and commercial markets.

The advantages of tethered aerial systems include the ability to elevate in a matter of seconds and stay in the air for an unlimited period of time since the electric power supply remains on the ground. The platforms are tethered and are not subject to standard air control regulations as are other unmanned aerial systems. The logistical footprint is reduced dramatically - the output provided to customers is achieved in a simple, accessible and affordable way with rapid deployment and different payloads and sensors for various missions.

In 2014, Sky Sapience and Stark Aerospace, a subsidiary of IAI North America, signed a cooperation agreement for the U.S. market. Stark Aerospace integrated and introduced the HoverLite™ tactical tethered hovering aerial ISR system.

The HoverLite™, a U.S. derivative of the Sky Sapience HoverMast-100, will be on display at **AUVSI Unmanned Systems 2015 – May 5-7 in Atlanta, GA (Booth #1019)**.

"We see significant potential for advanced tethered systems for the military, HLS and commercial markets" said Shaul Shahar, IAI Executive Vice President and General Manager of the Military Aircraft Group. "We plan to jointly market these innovative solutions and provide unique capabilities worldwide."

Gabriel Shachor, founder and CEO of Sky Sapience said: "We're excited about this agreement with IAI. Sky Sapience is a leader in tethered, hovering technology and the sole producer of mobile, tethered, hovering machines. IAI, with its advanced, proven experience is a global leader in the field of unmanned aerial systems and known for its exceptional marketing capabilities. By joining forces,



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the two companies bring the best technological solutions and marketing capabilities together, which I am certain will bring great success."

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About Israel Aerospace Industries

IAI Ltd. is Israel's largest aerospace and defense company and a globally recognized technology and innovation leader, specializing in developing and manufacturing advanced, state-of-the-art systems for air, space, sea, land, cyber and homeland security. Since 1953, the company has provided advanced technology solutions to government and commercial customers worldwide including: satellites, missiles, weapon systems and munitions, unmanned and robotic systems, radars, C4ISR and more. IAI also designs and manufactures business jets and aerostructures, performs overhaul and maintenance on commercial aircraft and converts passenger aircraft to refueling and cargo configurations.

About Sky Sapience

Sky Sapience was founded in 2010 and is located in Yokneam, Israel. Its dedicated team members are experts in the fields of aeronautics, robotics, computer programming, electronics, and business management. It maintains two test facilities, a fully operational production line, and a fully enclosed telemetry laboratory. With its flagship product, the HoverMast-100, a stabilized tethered platform, it leads the way in mobile, tethered hovering technology with six international patents and customers worldwide.

In the picture:

Hovermast-100 Stabilized Tethered Hovering Platform

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