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FOR IMMEDIATE RELEASE

SABEUS AWARDED \$1.56M NAVSEA DEVELOPMENT CONTRACT

Federal Business unit to develop fiber optic littoral sensor arrays
with Continuous Acoustic Sensor Technology

Freeport, PA - December 1, 2005 - Sabeus Inc, a developer of fiber optic sensing technology for military undersea surveillance and perimeter security applications announced that it was awarded a \$1.56 million contract by the Naval Sea Systems Command (NAVSEA) on November 7, 2005, for the development of an All Optical Embedded Fiber Bragg Grating (FBG) Sensor Array. Under this contract Sabeus will build and demonstrate a robust, low cost, all-optical sensor array designed specifically for littoral applications, based upon its Continuous Acoustic Sensor Technology.

“We are very pleased to be developing this ground-breaking technology for our nation’s defense,” said André de Fusco, president & CEO. “During this phase of the program, Sabeus will optimize the sensor array design for littoral off-board sensor applications, then build and test the array at the Navy’s deep water Acoustic Testing facility at Lake Pend Oreille, Idaho.”

“Next generation Navy sonar systems must be made substantially more reliable and affordable in order to address the Navy’s rapidly expanding undersea surveillance obligations around the world,” commented Jim Andersen, Vice President and General Manager of Sabeus Federal Systems. “Sabeus’ automated embedded fiber optic sensor technology and low cost fiber coatings for enhanced acoustic sensitivity enable Sabeus to produce the world’s most reliable and affordable undersea surveillance systems. Under this contract, Sabeus will work closely with the Navy’s fiber optic experts from the Naval Undersea Warfare Center, Newport, RI to ensure the system is designed to meet the Navy’s requirements”.

In June 2005, Sabeus completed a successful, Navy-witnessed proof of concept demonstration, which validated that the Sabeus technology can meet the Navy's stringent acoustic noise performance requirements.

The array components under this contract will be produced at Sabeus' state-of-the-art production & R&D facility in Freeport, Pennsylvania inaugurated in August 2005 and established with the mission to develop next generation fiber optic sensors for military and commercial applications.

About Sabeus

Sabeus supplies military surveillance products including embedded perimeter security systems, fiber optic sub-systems for towed & hull-mounted applications, and ocean bottom cable arrays for harbor defense and littoral surveillance. Sabeus manufactures rugged fiber optic systems to record downhole pressure, temperature, and acoustic data used for oilfield reservoir monitoring and pipeline integrity. Sabeus was founded in 1998, is privately funded and has operations in California and Pennsylvania.

www.sabeus.com

About NAVSEA

The largest of the Navy's five systems commands, Naval Sea Systems Command (NAVSEA) engineers, builds and supports America's Fleet of ships and combat systems. Accounting for nearly one-fifth of the Navy's budget (approximately \$20 billion), NAVSEA manages more than 130 acquisition programs, which are assigned to six affiliated Program Executive Officers (PEOs) and various Headquarters elements.

www.navsea.navy.mil
