FOR RELEASE ON JANUARY 24, 2012 9:00 am EST Mr. Ralph Petroff Huntsville, AL +1 (256) 990 0224

Ms. Eva Kaupp Sydney, Australia +61 2 8090 7271 r.petroff@marathon-targets.com e.kaupp@marathon-targets.com



Marathon Targets Secures Key Orders, Receives Global Recognition

USMC Delivery, New Orders, New Off-Road Target, and Global Media Coverage Highlight Year-End Achievements

SYDNEY, Australia, January 24, 2012 – Marathon Targets (marathon-targets.com), the leader in live-fire smart target systems, achieved some significant milestones as 2011 concluded.

During the 4th Quarter, Marathon:

- delivered its second generation two-wheel smart targets to the USMC in Quantico, VA;
- received a follow-on order from the USMC for its new four-wheel smart target;
- was awarded its latest smart target contract from a NATO member country;
- received favorable global media recognition in December including TIME magazine and the UK's Daily Mail. The Daily Mail described robots which provide "an unprecedented level of realism for sharp shooters."

"This was a great way to cap off a very productive 2011," said Marathon CEO and co-founder Dr. Alex Brooks. "And it's further customer validation that smart targets are increasingly viewed as an essential new training tool."

Smart targets address a critical training deficiency – most shooters learn to engage realistic moving targets during their first few firefights, when the casualty rates are at their highest. With smart targets, soldiers can get a crucial head start climbing that first-time-combat learning curve.



"If a shooter has never fired live ammunition at realistic moving targets, their first-ever attempt is likely to be their worst," said Brooks. "Incorporating smart targets into the training program works - we've seen visible improvement after a few magazines."

Smart targets are trackless targets that look, move and even behave like people. For example, when one of the robots is 'killed,' the other robots can immediately scatter for cover. A team of

robotic smart targets can execute complex pre-planned scenarios, moving in and out of sight of training instructors – behaving much as people do. To view targets in motion visit <a href="maintenant-



"Smart targets were initially created as a valuable tool for elite shooters, snipers, and special forces," said Dr. Alexei Makarenko, CTO and co-founder. "But smart targets are increasingly viewed as providing critical training benefit for any shooter who is to be deployed."

A system of two-wheel T20 smart targets was delivered to USMC Base Quantico in November. A set of four-wheel T40 targets were also ordered by the USMC as part of a Foreign Comparative Test (FCT). The FCT program is run by the Office of the Secretary of Defense's Comparative Testing Office, which searches for foreign COTS technology which address urgent and unmet US military requirements.

The Quantico deliveries and the new T40 order are both managed by MARCORSYSCOM and PM TRASYS in Orlando as part of an ID/IQ contract with a value of up to \$50 million. Any service branch or Federal law enforcement agency can obtain smart targets under this contract.

"Marathon's latest contract, awarded in November by a NATO member country, serves as further market validation," said Marathon COO and co-founder Dr. Tobias Kaupp. "Militaries and law enforcement agencies globally are seeking new tools to make live fire training as realistic as possible."

Marathon has received Commercialisation Australia support for the development of the T40 target, and support from the Defence Export Unit, Austrade, and the NSW state government for export activities.

"We are delighted with the substantial progress we have made in 2011", said Dr. Brooks. "I doubt it would have been possible without the government assistance that we have received -- it makes a huge difference for a growing company such as ours."

Marathon Targets has offices in Sydney, Australia, Huntsville, Alabama, and a European office in Toulouse, France.

About Marathon Targets

Marathon shipped the world's first smart targets for live-fire training in 2008. Smart targets are powered by cutting-edge robotics technology, delivered in a bullet-proof, easy-to-use package. Marathon's targets enable armed forces to train with an unprecedented level of realism. For more information about Marathon Targets, and videos of the robots on live-fire ranges, please visit <u>marathon-targets.com</u>.