

Arotech's FAAC Incorporated Receives \$10.2M in Funding to Extend Capabilities of the U.S. Army's Virtual Clearance Training Suite

ANN ARBOR, Mich., Sept. 10, 2018 (GLOBE NEWSWIRE) -- FAAC Incorporated, a part of Arotech Corporation's Training and Simulation Division [NasdaqGM: ARTX], announced that it has received \$10.2M in funding for its U.S. Army Virtual Clearance Training Suite (VCTS) follow-on program. Managed by U.S. Army Program Executive Office for Simulation, Training and Instrumentation (PEO STRI) and contracted from Army Contracting Command - Orlando, the follow-on effort envisions three phases, each providing a block upgrade of capabilities to the fielded VCTS systems. The funding, in the form of exercised options through January 2021 is for Phase 2 of the three planned phases associated with the follow-on contract originally awarded in 2017.

VCTS has been fielded to 28 training installations and operational units. VCTS provides training for critical vehicle operator and crew tasks that can be repetitively trained in a simulator and that are considered too time consuming, resource constrained, or dangerous to be conducted on actual equipment. This follow-on contract will add new training capabilities to VCTS and improve the system's realism – enhancing the clearance operations training it provides and insuring VCTS reflects the Army route clearance teams' most current mission and equipment.

"This award represents the Army's commitment to ensuring that VCTS remains in sync with the evolving route clearance mission, maximizing the systems utility to train individual skills required for the new enablers in addition to providing comprehensive collective training experience to the entire team," said Kurt Flosky, FAAC Incorporated's President. "We are pleased to continue supporting the PEO STRI team in enabling soldiers performing route clearance missions to train as they would fight".

About Arotech's Training and Simulation Division

Arotech's Training and Simulation Division (ATSD) provides world-class simulation based solutions. ATSD develops, manufactures, and markets advanced high-tech multimedia and interactive digital solutions for engineering, use-of-force, and operator training simulations for military, law enforcement, security, municipal and private industry personnel. The division's fully interactive operator training systems feature state-of-the-art vehicle simulator technology enabling training in situation awareness, risk analysis and decision-making, emergency reaction and avoidance procedures, conscientious equipment operation, and crew coordination. The division's use-of-force training products and services allow organizations to train their personnel in safe, productive, and realistic environments. The division supplies pilot decision-making support software for the F-15, F-16, F-18, F-22, and F-35 aircraft, simulation models for the ACMI/TACTS air combat training ranges, and Air-

Refueling Boom Arm simulators. The division also provides consulting and developmental support for engineering and research simulation solutions.

Arotech's Training and Simulation Division consists of FAAC Incorporated (www.faac.com), MILO Range Training Systems (www.milorange.com), and Realtime Technologies (www.simcreator.com).

About Arotech Corporation

Arotech Corporation is a defense and security company engaged in two business areas: interactive simulation and mobile power systems.

Arotech is incorporated in Delaware, with corporate offices in Ann Arbor, Michigan, and research, development and production subsidiaries in Michigan, South Carolina, and Israel. For more information on Arotech, please visit Arotech's website at www.arotech.com.

Investor Relations Contact:

Scott Schmidt
Scott.Schmidt@arotechusa.com
800-281-0356

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