

Defense Security Cooperation Agency

NEWS RELEASE

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<u>Australia – RQ-7B SHADOW 200 Unmanned Aircraft Systems</u>

WASHINGTON, May 6, 2010 – The Defense Security Cooperation Agency notified Congress today of a possible Foreign Military Sale to Australia of two RQ-7B SHADOW 200 Unmanned Aircraft Systems (UAS), and associated equipment, parts, and logistical support for an estimated cost of \$218 million.

The Government of Australia has requested a possible sale of two RQ-7B SHADOW 200 Unmanned Aircraft Systems, communication equipment to include 4 Ground Control Stations, support equipment, spare and repair parts, tools and test equipment, technical data and publications, personnel training and training equipment, U.S. government and contractor engineering, technical and logistics support services, and other related elements of logistics support. The estimated cost is \$218 million.

Australia is one of our most important allies in the Western Pacific. The strategic location of this political and economic power contributes significantly to ensuring peace and economic stability in the region. Australia's efforts in peacekeeping and humanitarian operations in Iraq and in Afghanistan have served U.S. national security interests. This proposed sale is consistent with those objectives and facilitates burden sharing with our allies.

The proposed sale of the RQ-7B SHADOW 200 systems will improve Australia's capability to support ongoing ground operations in Afghanistan. Australia will also use the enhanced capability in future contingency operations encompassing humanitarian assistance, disaster relief, and stability operations in the Asia-Pacific region. Australia will have no difficulty absorbing these systems into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be AAI Corporation in Hunt Valley, Maryland. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of four contractor representatives to Australia to support delivery of the RQ-7B SHADOW 200 UAS in-country.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

This notice of a potential sale is required by law and does not mean the sale has been concluded.