

NORTHSTAR ELECTRONICS, INC. SIGNS MEMORANDUM OF UNDERSTANDING WITH MAJOR AEROSPACE COMPANY

Virginia Beach, VA- December 20, 2016- Northstar Electronics, Inc., (OTCQB:NEIK), the “Company” is pleased to announce that it has signed a Memorandum of Understanding (MOU) with a subsidiary of a major international Aerospace Company.

Northstar Electronics’ subsidiary, Northstar Sealand Enterprises Ltd (NSEL), has the objective of acquiring the exclusive world-wide rights to an enhanced version of a single engine Turbo-Prop industrial airplane from the subsidiary of the international aerospace company.

NSEL would manufacture, market and sell the airplanes and also carry out Maintenance, Repair and Overhaul (MRO). The MOU outlines key actions and goals to be reached in order to implement this new business plan for the Company.

The signing of this MOU is a first step which ultimately should lead to NSEL reaching its manufacturing and marketing goals within a reasonable time period. As part of the overall new focus of the Company, NSEL would also implement a strong marketing and sales campaign to maximize early orders for the new version of the airplane.

As more information becomes available and further developments occur between Northstar Electronics and the Aerospace Company, shareholders and other interested parties will be promptly notified on the progress in accordance with guidelines and requirements indicative for publicly traded companies.

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About Northstar Electronics, Inc.

Northstar was established in the late 1990's. The Company has carried out design and manufacturing contracts for various divisions of Lockheed Martin Corporation including LM MS2 (Submarine Command and Control Consoles), LM Canada (Naval Anti-Terrorism System), LM Aeronautics (Parts for P-3 Orion Airplane), and L-3 (Navy Frigate Command and Control Consoles). Northstar also designed, manufactured, and sold its own sonar-based system to commercial customers. Since termination of the above contracts Northstar has been seeking other strategic relationships

Safe Harbor Statement:

This press release may include predictions, estimates, opinions or statements that might be considered "forward-looking" under the provisions of the Private Securities Litigation Reform Act of 1995. Such statements generally can be identified by phrases such as the Company or its management "believes," "expects," "anticipates," "foresees," "forecasts," "estimates," or other, similar words or phrases.