



Northstar Electronics, Inc. (NEIK) Progress Update on Deal With Major Aerospace Manufacturer

Vancouver, British Columbia-October 25, 2017 - Northstar Electronics, Inc. (OTCQB:NEIK) previously stated that its subsidiary, Northstar Sealand Enterprises Ltd. (NSEL), is working to acquire the worldwide rights to a “Turbo Prop” single engine industrial airplane from a world leader in the aerospace industry. The timeline for the final agreement with the subsidiary company that owns the rights to the airplane has been extended. The main reason is that there is a strong possibility that the parent company will use our transaction as an “Offset,” which means that much of our acquisition costs included the Intellectual Property(IP), prototype, tooling, etc. would be covered. (when international companies win large multi-billion contracts from the Canadian government, the companies have obligations to put considerable work into local companies.)

As mentioned before, the primary applications for the airplane are in “Agriculture and Rapid Response Forest Fire Fighting” where the needs for both types of airplanes are high. NSEL is continuing its assessment of the “Cloud Seeding” market. So far, the results look positive. Management believes the new design features of the NSEL airplane will quickly lead to it being a leader in its class.

Once the airplane “Rights Acquisition Agreement” is signed, NSEL intends to aggressively roll out its plans to initiate the actions leading to manufacturing the airplane and marketing it worldwide. The Company’s basic marketing strategy is to first focus on markets in which the former version of the plane was a big success, with many of those customers expressing considerable interest in the new, innovated version. NSEL plans to then expand outward to other markets, domestic and foreign, where there are also strong needs for the performance capabilities of this new design.

NSEL's estimates for annual revenues in the fifth year of operations are of the order of \$30M, with good profit margins.

On another note, Northstar is pleased to report that a former senior executive at the world's largest defense and aerospace company has become an advisor to the Company. He has a stellar background and brings extensive international experience to the Company.

Dr. Wilson Russell, CEO of Northstar Electronics, comments, " Although the timeline to an agreement has been extended, the potential resulting benefits are highly significant to Northstar. It also means that we would likely have the support of the parent company for up to five years going forward. "

Currently, Northstar wishes to raise funds. The instrument is comprised of a common share plus warrant. Northstar is looking for investors who would like to be part of what we believe is an attractive opportunity in the growing Aerospace industry. Interested parties can contact Wilson Russell ,CEO, at w Russell@northstarelectronics.com)

For further information about this news release contact, Rich Kaiser, Investor Relations, Yes International, 757-306-6090, yes@yesinternational.com. And, for Corporate Communications contact, Eddie Cruz, Cruz Capital Advisors, 800-972-1656.

About Northstar Electronics, Inc.

Northstar Electronics, Inc. (OTCQB:NEIK) established in the late 1990's 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 moved towards making and selling its own independent systems. www.northstarelectronics.com.

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