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PRESS RELEASE

FOR IMMEDIATE RELEASE

Shine Micro Awarded USCG NAIS-Increment 1

The Department of Homeland Security(DHS) and the United States Coast Guard(USCG) have awarded a contract for the first increment of their Nationwide Automatic Identification System (NAIS) to Shine Micro, Inc. of Port Ludlow, WA.

Port Ludlow, WA – September 26, 2006 – Shine Micro, Inc., a leader in Automatic Identification System (AIS) technology and marine electronics, has been awarded a contract for the first increment of the Nationwide Automatic Identification System (NAIS) program by the US Coast Guard. “The NAIS program is a major USCG acquisition contract to be awarded in three increments”, says company president, Mark Johnson. “We expect future increments for NAIS will be solicited and awarded over the next 12-18 months.”

NAIS Increment 1 consists of AIS reception equipment. Increments 2 and 3 will focus on AIS system integration, transmit capability and long-range AIS vessel tracking. The NAIS program provides vessel identification, tracking and information exchange capabilities to support National Maritime Interests including waterways and coastal security, port security, Search and Rescue, collision avoidance and Aids to Navigation (AtoN's). Self-propelled vessels 65 feet or more in length, other than fishing vessels, and larger passenger or commercial vessels are required to carry AIS transponders which transmit vessel identity, heading and speed at regular intervals on defined VHF frequencies.

Shine Micro's RadarPlus[®] SM1610 AIS Receiver Base Station was first introduced at the USCG Innovation Expo in Tampa Florida on June 26 & 27, 2006 and represented the latest innovation in high-performance AIS receiver technology offered at a competitive price. With over one thousand AIS base stations deployed nationwide, Shine Micro is the clear industry leader in base station experience, performance and reliability.

The RadarPlus[®] SM1610 AIS Base Station features a rugged, mast-mounted Low Noise Amplifier (LNA) and a house mounted receiver designed for the maritime surveillance market.

The RadarPlus[®] SM1610 is the first in a series of "disruptive technology" products using the patent pending Noisesion technology to achieve cost effective AIS monitoring capability far beyond Line Of Sight (LOS). The ability to increase the range of an individual reception point dramatically reduces the number of base-stations required to cover the 95,000 miles of United States coast line, providing tax payers with a significant overall system cost reduction, and at the same time provides shoreline monitoring capability never before available.

About Shine Micro

Port Ludlow, WA-based Shine Micro, Inc., was founded in 1980 and has since become a world leader in marine electronics design and manufacturing, specializing in AIS, DSP, wireless and audio technologies. The company was awarded the first-ever Phase II contract from the HSARPA SBIR program and is today a recognized leader in the field of AIS Technology. The RadarPlus[®] product line includes affordable AIS solutions for Search & Rescue, Law Enforcement, Fishing, Workboats and Recreational craft. Shine Micro is a preferred supplier of quality AIS reception equipment for military, commercial and regulatory authorities as well as individual consumers. The company is an active member of the RTCM (Radio Technical Commission for Maritime Services) as well as several IEC (International Electrotechnical Commission) standardization committees.

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