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FAA-Air Transport Association ‘Better Way’ Award Winners Announced
Award Presented at 52nd Annual NDT Forum to the “CVM Team”

Structural Monitoring Systems (ASX Code: SMN) is pleased to announce that the Air Transport Association of America (ATA), the industry trade organisation for the leading U.S. airlines, in association with the Federal Aviation Administration (FAA), today recognised the “CVM Team” as the recipients of the 2009 FAA-ATA Non-Destructive Testing (NDT) “Better Way” award.

The “Better Way” award recognises a team of government and airline industry individuals who together worked to advance inspection and testing of aircraft structure, components or systems. This award, jointly sponsored by the FAA and ATA, was presented today at the ATA Non-Destructive Testing (NDT) Forum in Atlanta, Georgia.

Industry professionals recognized with this prestigious award are: Ed Lukas and Bernie Adamache from Air Canada Jazz; Jerome Pinonnault, Roy Wong and Jean-Marc Bertrand from Bombardier Inc.; David Piotrowski, John Bohler and John Lee from Delta Air Lines; Alex Melton, Robert Hager and Malcolm Berner from Northwest Airlines (now Delta Air Lines); Dennis Roach, Kirk Rackow and Ciji Nelson from the Airworthiness Assurance Non-Destructive Inspection (NDI) Validation Center (AANC); Jeffrey Kollgaard, John Linn, William Jappe and Masood Zaidi from The Boeing Company; Rick Lopez from Iowa State University; and Mark Vellacott from Structural Monitoring Systems.

This year’s winning team, the “Application and Validation of Comparative Vacuum Monitoring (CVM) Sensors for In-Situ Crack Detection” team, was recognised for its accomplishments in the testing, evaluation and validation of a sensor that detects cracks and flaws during the inspection process, particularly in hard-to-access areas. AANC initially teamed with Boeing, Delta Air Lines, Northwest Airlines (now Delta Air Lines) and Structural Monitoring Systems (SMS) to study deployment and long-term operation of the sensors. More than two years of flight tests, factors such as environmental durability, sealant protection and reliability were evaluated. As a result of these and other tests, Boeing added this technique to its Common Methods NDT manual. Over the past year, the sensor has been used to monitor cracking on engine mount beams with the participation of Air Canada Jazz

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and Bombardier. The use of the CVM sensor is the first time that an original equipment manufacturer (OEM) has adopted structural health monitoring techniques by using a mountable sensor. The team has proven that this sensor can facilitate a more sensitive, rapid and reliable inspection.

“ATA congratulates this year’s winning team for its extraordinary work in the advancement of crack detection inspections, and the industry will benefit from your successes,” said ATA President and CEO James C. May. “It is my pleasure to recognise your accomplishment today, as it underscores the critical need for our industry to continue such innovative, collaborative efforts to enhance safety.”

Managing Director, Mark Vellacott, said “the recognition of the “CVM Team” as recipients of the FAA – ATA NDT Forum “Better Way” award for 2009 is a great honour for Structural Monitoring Systems and our CVM technology. This is the first time that a team working to introduce an in-situ Structural Health Management (SHM) sensor into operational service with the airlines has received this prestigious award. The award is testament to the progress that that been made by Structural Monitoring Systems with aerospace industry partners in maturing CVM technology for aircraft structural integrity monitoring, and also recognition of CVM’s high potential for reducing the cost of aircraft inspection related maintenance and improving aircraft availability”.

ATA airline members and their affiliates transport more than 90 percent of all U.S. airline passenger and cargo traffic. The FAA is the leading aviation regulatory authority in the world. For additional information about the industry, visit www.airlines.org.

Yours faithfully

A handwritten signature in black ink, appearing to read "Colin McDonald". The signature is fluid and cursive, with the first name "Colin" being more prominent than the last name "McDonald".

Colin McDonald
Company Secretary

Notes:

Structural Monitoring Systems plc Australian Securities Exchange code: SMN

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About Structural Monitoring Systems

Structural Monitoring Systems is a structural integrity sensor system company engaged in commercialising its leading edge Comparative Vacuum Monitoring (“CVM™”) technology, to produce remote crack detection sensor and instrument products based on the patented CVM™ principle that will radically reduce the cost of maintenance and vehicle or plant down-time associated with performing safety critical structural integrity NDT inspections. Durable, simple to design and manufacture, easy to install and use, highly reliable and with a benchmark crack detection capability, CVM™ technology has application in a broad range of commercial, military and industrial market sectors, specifically in air, land and sea transportation systems, power-generation systems, and industrial processing plants.

Structural Monitoring Systems has received accreditations from The Boeing Company and the Australian Defence Force endorsing the use of CVM™ sensors and PM200 handheld monitoring instrument as a suitable means of performing structural integrity inspections. The Company has also achieved a major milestone with Airbus acknowledging CVM as being “Technology Ready” to be included in its commercial aircraft maintenance programs. In the commercial aircraft sector Structural Monitoring Systems has well established relationships with the four largest aircraft manufacturers: Boeing; Airbus; Embraer; Bombardier. Structural Monitoring Systems also has well established relationships with air forces in the US, UK, Europe, Australia, and Asia, and with whom CVM™ technology is being evaluated for various military aircraft structural integrity monitoring applications.

Company Web Site

www.smsystems.com.au

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