



News Release

For Immediate Release
January 18, 2011

Listed: TSX-V
Symbol: ESE

Not for distribution in the United States or for dissemination to U.S. News Wire Services

ESTec Systems Corp. Executes Letter of Intent to Acquire Encore Electronics Inc.

Edmonton, Alberta

January 18, 2011 - ESTec Systems Corp. (TSX Venture: ESE) is pleased to announce it has signed a Letter of Intent to acquire the operating assets of privately held Encore Electronics Inc. of Saratoga Springs, New York, (www.encore-elec.com).

The proposed transaction will be a cash purchase, expected to be financed with debt. This will have the effect of approximately doubling the size of ESTec and providing it with new allied business operations in the United States. It is not anticipated that any funds will be raised in the equity marketplace.

The transaction remains subject to additional due diligence, financing and regulatory approval. Closing is scheduled for March 31, 2011.

Encore is an engineering firm that designs and manufactures electronic instrumentation, including signal conditioners, computer controlled amplifiers and computer controlled signal conditioning instrumentation.

This is a horizontal acquisition, expanding the offerings of Allan R. Nelson Engineering (1997) Inc. a wholly owned subsidiary of ESTec Systems Corp. The acquisition will allow Allan R. Nelson Engineering to expand into products and services that meet the needs of Oil Sands projects in Northern Alberta. This market has not been approached by Encore and offers excellent opportunities for the growth of both companies.

ESTec plans to keep Encore in their current facility and work towards expanding the company.

For the Board
A. B. Nelson
President

[p] 780.483.7120

About ESTec Systems Corp:

ESTec, through its wholly owned subsidiary, Allan R. Nelson Engineering (1997) Inc, provides specialized forensic and design engineering services.

For further information regarding the Company's services see its website at www.estec.com