

Security Devices International Signs Five Year Agreement with a Large Defense Technology Company

WASHINGTON, DISTRICT OF COLUMBIA -- (MARKET WIRE) -- 01/10/12 -- Security Devices International Inc. (SDI) (OTCBB: SDEV) is pleased to announce that it has signed a 5 year non-exclusive teaming and marketing agreement with Chemring Ordnance Inc. (Chemring) of Perry, Florida, a division of Chemring Group PLC of the United Kingdom.

The agreement enables SDI to market their unique40mm less-lethal ammunition to a global marketplace through strong existing distribution channels formed by Chemring and the Chemring Group PLC. SDI's ammunition rounds will be branded under the Chemring label.

Chemring will play an important role in the manufacture and production process of SDI's first to market blunt impact less-lethal round, as well as market in-roads to government agencies and other defense technology companies.

"This is an excellent opportunity for SDI to work with a global defense technology leader and to achieve our goal of worldwide sales of our innovative less-lethal ammunition." stated Gregory Sullivan, President and CEO of SDI. "We look forward to working with Chemring and believe them to be an exceptional fit, in going to market".

David Pride, Vice President of Marketing and Business Development of Chemring Ordnance, stated "Our teaming arrangement with Security Devices International gives us a fundamental advantage as we move into the less-lethal marketplace. Chemring Ordnance is well positioned to penetrate this sector with SDI on a global scale".

Appointment of new Vice-President of Corporate Development

SDI is also pleased to announce that Allen Ezer has joined the management team as the Vice-President of Corporate Development.

Mr. Ezer has spent the previous 10 years in the financial services sector coordinating and monitoring a team of financial experts. Allen was focused on equity/debt research and business development initiatives at a tier 1 Chartered Bank. Other responsibilities included systematic strategies for disciplined risk management.

"Allen will be a great addition to the SDI management team and we look forward to utilizing his expertise in moving SDI forward as a Public Company" states Mr. Sullivan of SDI. "As we move forward into production and sales, Allen's abilities will strengthen and compliment the current management team".

About Chemring Ordnance Inc.

Chemring Ordnance is a world leader in the manufacture of ammunition and pyrotechnic products. With more than 50 years' experience, Chemring supplies to the U.S. Department of Defense (DoD) and other allied Ministries of Defense around the world.

Chemring Ordnance is a center of excellence for the design, development and production of ordnance, pyrotechnic products, and other munition components for military, homeland security, and first responders. The company manufactures all types of 40mm low and high velocity ammunition; pyrotechnic marking, signaling, and tactical illumination devices; battlefield effects simulators; hand grenade fuzes and other ammunition components such as large caliber electronic primers.

About the Chemring Group PLC

The Chemring Group PLC is a large, global defense technology company that specializes in the manufacture of energetic material products, countermeasures and counter-IED solutions. The Group operates 17 Divisions worldwide and is headquartered in the UK. In the first six months of 2011, the Company realized revenues of approx. \$510,000,000 USD.

The Group is built on a hundred-year history of innovation and development and now employs over 4,000 people in the UK, US, Belgium, France, Germany, Italy, Norway, Spain and Australia. Selling to over 80 countries, end-users include the military services, security forces and commercial marine operators.

About Security Devices International Inc.

SDI is a defense technology company specializing in the development of innovative next generation solutions for security situations that do not require the use of lethal force, or ammunition. SDI is currently in the advanced stages of deploying their patent pending family of products. These products consist of; the Blunt Impact Projectile 40mm (BIP40), and the Wireless Electric Projectile 40mm (WEP40). The Market sectors for these products include; the military, army, navy, air force, peacekeeping, homeland security, and law enforcement professionals. The Company's products were designed for a standard 40mm ammunition casing, for use with standard issue weapons such as riot guns and M203 grenade launchers.

Security Devices has not authorized the release of this press release in any form that contravenes any law or regulation and will not be responsible for the unsolicited distribution of this material by e-mail or facsimile by unauthorized parties. Statements in this press release, which are not historical facts, are "forward looking statements" within the meaning given to that term in the private Securities Litigation Reform Act of 1995.

Security Devices intends that such forward -looking statements be subject to the safe harbors created thereby. Since these statements involve risks and uncertainties and are subject to change at any time, actual results could differ materially from expected results.

For more information about the Company visit: www.securitydii.com.

Direct line: (202)-538-1677 <u>gsullivan@securitydii.com</u> <u>www.securitydii.com</u>

Source: Security Devices International Inc.