

The Allied Defense Group, Inc.

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THE ALLIED DEFENSE GROUP ANNOUNCES NEW ANTENNA ORDERS AT SEASPACE SUBSIDIARY

SeaSpace Receives Follow-on Orders from Bigelow Aerospace

VIENNA, Virginia, May 18, 2006 – The Allied Defense Group, Inc. (AMEX: ADG) announces the receipt of two follow-on contract awards from Bigelow Aerospace.

The new orders are for SeaSpace's 6.1 meter AXYOM 3-axis tracking antennas. The SeaSpace AXYOM Model 50 provides a very high performance, and economical solution, for Low Earth Orbit satellite tracking applications. The systems will be delivered later this year for installation at commercial ground station facilities in Alaska and Hawaii.

Bigelow Aerospace (www.bigelowaerospace.com) is a privately funded space organization, with on-going technical assistance from NASA Johnson Space Center, dedicated to the development of commercial low-cost inflatable space habitats as a complement to government-provided space stations. In addition, Bigelow is a half-sponsor of America's Space Prize, a \$50 million prize intended to spur development of a low-cost commercial manned orbital vehicle capable of launching 5 to 7 astronauts at a time by the end of the decade.

Major General (Ret.) John J. Marcello, Chief Executive Officer and President of The Allied Defense Group said, "We are honored to be able to play an important role in the Bigelow Aerospace ground station network and are pleased Bigelow has selected SeaSpace's innovative AXYOM technology in support of its vision to bring human space flight into the arena of commercial business."

About SeaSpace Corporation

SeaSpace Corporation empowers people to improve the safety, security, and enjoyment of our global environment. SeaSpace manufactures TeraScan® hardware and software products that provide customers with timely and accurate satellite-derived weather and environmental information. SeaSpace's AXYOM antenna products provide precision Low Earth Orbit satellite tracking for Earth

Observation, TT&C and Satellite Communication systems applications. SeaSpace systems are in operation at more than 450 customer sites in over 30 countries. For more information, please visit: <http://www.seaspace.com>.

About The Allied Defense Group, Inc. (formerly Allied Research Corporation)

The Allied Defense Group, Inc. is a diversified international defense and security firm which: develops and produces conventional medium caliber ammunition marketed to defense departments worldwide; designs, produces and markets sophisticated electronic and microwave security systems principally for European and North American markets; manufactures battlefield effects simulators and other training devices for the military; and designs and produces state-of-the-art weather and navigation software, data, and systems for commercial and military customers.

For more Information, please visit the Company web site: www.allieddefensegroup.com

Certain statements contained herein are “forward looking” statements as such term is defined in the Private Securities Litigation Reform Act of 1995. Because statements include risks and uncertainties, actual results may differ materially from those expressed or implied and include, but are not limited to, those discussed in filings by the Company with the Securities and Exchange Commission.

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