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PRESS RELEASE SUMMARY: FOR IMMEDIATE RELEASE
December 30, 2004

STELLEX AEROSTRUCTURES, INC., GENERAL INSPECTION LABORATORIES, INC. AND GENERAL TESTING AND INSPECTION, LLC JOINTLY ANNOUNCE THE SALE OF THE ASSETS AND BUSINESS OPERATIONS OF GENERAL INSPECTION LABORATORIES, INC. TO GENERAL TESTING AND INSPECTION, LLC

Lebanon, New Jersey, and Newport Beach, California, December 30, 2004. Stellex Aerostructures, Inc. (“Stellex”), General Inspection Laboratories, Inc. (“GIL”) and General Testing and Inspection, LLC (“GTI”) have announced that they have closed on the sale of the assets and business operations of GIL, a subsidiary of Stellex, to GTI, a California limited liability company owned by Jay Haber.

GIL provided non-destructive testing services to aerospace component manufacturers in the Southern California region.

As a result of the sale, Stellex and GIL will no longer be affiliated with the non-destructive testing services which have been transferred to GTI.

Stellex Aerostructures is a leading provider of highly engineered subsystems and components for the aerospace and defense industries. Stellex Aerostructures operates three subsidiaries: Stellex Monitor Aerospace, Inc., Stellex Precision Machining, Inc., and Stellex Bandy Machining, Inc. Monitor and Precision Machining are leaders in the manufacturing of large complex machined parts and structural sub-assemblies for the aerospace industry. Bandy Machining provides precision aircraft hinges and other structural components for the aerospace and space industries.

Readers should be aware that the foregoing paragraphs may contain forward-looking statements regarding Stellex management’s expectations for future operations and related results, which forward-looking statements may not be realized. Furthermore, readers are cautioned not to place undue reliance on any such forward-looking statements, each of which speaks only as of the date made. Several important factors

could cause Stellex's actual results of operations to differ materially from those expressed in the foregoing forward-looking statements, including fluctuations in worldwide prices and demand for its products, fluctuations in the demand for its services and the existence of competitors, technological changes and developments in the aerostructures industry. Moreover, Stellex is directly affected by national and international economic and political conditions in the aerospace and defense industries and believes that changes in any of the following areas could have a material adverse effect on its future financial position or results of operations: unanticipated impact on aircraft build rates from potential further reductions in air travel or from the effects of potential military or terrorist activities; competitive pressures resulting in price reductions on current products or the inability to invest reasonable levels of capital for new machining technology and equipment; changes in certain customer relationships; financial difficulties being experienced by some of Stellex's customers in the commercial aviation business which may not be temporary in nature; the successful execution of internal performance plans, acquisitions and other productivity improvement efforts; the timing and extent of any commercial aviation recovery and its effect on overall production, as well as the impact on production or production rates for specific commercial aircraft; changing priorities or reductions in domestic or foreign government defense budgets; and termination of certain production contracts for convenience of the customer.