

XēDAR Corporation acquires Pixxures, Inc.

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ENGLEWOOD, CO -- (Business Wire) --- October 1, 2007 --- XēDAR Corporation (OTCBB: XDRC - News) ("XēDAR"), a provider of complex data management and security solutions, today announced that it has acquired Pixxures, Inc. in a Form A stock for stock transaction.

Colorado-based Pixxures is a leading provider of aerial photographic mapping products and services, direct-digital orthophotography, planimetric and topographic mapping, vector alignment, and GIS products and services via the Internet. Pixxures generated over \$5,500,000 in revenues in 2006, and so far in 2007 is ahead of that revenue generation rate.

As a result of this acquisition, coupled with Xedar's existing businesses, XēDAR's revenue run rate is now over \$16 million.

According to Xedar's CEO, Hugh Williamson III, "By adding Pixxures to our growing portfolio of companies, we are executing our plan of building XēDAR into a premier information assurance and geospatial products and services company. Pixxures excels in geospatial data acquisition, specifically digital aerial imagery, orthophoto production, and planimetric and topographic mapping, all of which are critical to our country's homeland defense. We will continue our strategy of pursuing accretive acquisitions, coupled with strong organic growth."

According to Pixxures' CEO, Chuck Killpack, "Pixxures has embarked on an aggressive technology development plan over the last 3 years and this acquisition allows Pixxures to bring this vision to market as well as allowing us to cross-sell into Xedar's existing customer accounts, while providing a state-of-the-art imagery collection and production facility for the entire company. Imagery will become the basis for building and updating the country's large governmental (both civil and defense) and commercial spatial databases. This acquisition means Pixxures will be a much larger player."

About Xedar Corporation

XēDAR Corporation provides systems analysis services to the federal government, as well as geospatial databases to many of the world's largest oil companies and the federal government. Its solutions play a key role in the successful operations of a broad spectrum of commercial and government organizations. XēDAR's primary focus is on the technology and the solutions to manage and ensure the security of complex data and processes. XēDAR operates from offices in Colorado, Maryland, New Mexico, and Virginia.

Forward-Looking Statements

The statements included in this news release, other than statements of historical fact, are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "seek," or "believe." These forward-looking statements, which are subject to risks, uncertainties, and assumptions, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations about future events. There are important factors that could cause our actual results, level of activity, performance, or achievements to differ materially from the results, level of activity, performance, or achievements expressed or implied by the forward looking statements, including, but not limited to: (1) integration of operations as we acquire companies and (2) our ability to win additional government business based on the expertise of the combined companies. In particular, you should consider the risks outlined under the heading "Risk Factors" in our most recent Annual Report on Form 10-KSB. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance, or achievements. You should not rely upon forward-looking statements as predictions of future events. These forward-looking statements apply only as of the date of this news release; as such, they should not be unduly relied upon as circumstances change. Except as required by law, we are not obligated, and we undertake no obligation, to

release publicly any revisions to these forward-looking statements that might reflect events or circumstances occurring after the date of this release or those that might reflect the occurrence of unanticipated events.

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