



FOR IMMEDIATE RELEASE

DRAGONWAVE SIGNS NEW DISTRIBUTION AGREEMENT WITH ALLIANCE CORPORATION TO EXPAND CANADIAN, US AND LATIN AMERICA MARKETS

Ottawa, Canada, February 2, 2005 - DragonWave Inc., a leading global supplier of next-generation wireless networks, today announced the signing of a distribution agreement with Alliance Corporation of Canada and its US subsidiary, a market leader in the distribution of wireless products and systems. Under the agreement Alliance will offer DragonWave's AirPair Wireless Ethernet solutions of point-to-point microwave radios designed for IP and carrier networks through its network of service providers, resellers and systems integrators. The agreement will strengthen Alliance's portfolio and allow DragonWave to significantly extend its market reach in the North American market.

"Alliance is pleased to align with DragonWave and we are excited to add the AirPair high capacity, low latency, IP/Ethernet licensed and unlicensed microwave products to the solutions we offer our customers," said Dave Perry, VP Sales & Marketing of Alliance. "We strive to provide our network of customers with the best wireless solutions available and this product is a good fit."

Alliance Corporation serves the Internet Service Provider (ISP), enterprise, and carrier markets across North America and Latin America, and will act as a first-tier distributor of DragonWave's broadband wireless Ethernet solutions. Alliance will distribute DragonWave's entire AirPair product line, including the recently announced, industry leading AirPair 200 to its network of customers and resellers. These products will then be sold to customers that require superior backhaul application solutions. In addition, Alliance will establish a designated technical support team and training program to support DragonWave's products.

"We are delighted to be working with Alliance as a distributor," said Peter Allen, DragonWave's President and CEO. "Alliance brings the strength of national distribution and wireless expertise that expands our reach into the North and Latin American market."

DragonWave's AirPair product operates within both licensed and unlicensed radio frequencies of 18-to-26-GHz range, ensuring interference-free performance for customers' traffic. The DragonWave solution provides scalable, ultra-low latency, wire-speed native Ethernet connectivity up to 200 Mbps full duplex. The system is extremely easy to deploy and manage, with a full suite of network management options. AirPair has indoor and outdoor deployment options, and is a highly reliable platform enabling 5 9's service availability.

About Alliance Corporation

Alliance Corporation is a value-added distribution and logistics resource that has historically focused on the wireless communications and broadcast Industries. Starting in 1999, Alliance has and continues to make a substantial investment to develop a similar strength in the broadband communications industry with particular emphasis on wireless solutions. Adding skilled technical and engineering services to its offering, Alliance is positioned to support systems integrators as they develop wireless solutions for their enterprise customers, including ISPs. For more information call Alliance at 800-409-9750 or www.alliancecorporation.ca in Canada, 877-706-5300 in the United States or www.alliancecomm.com

DragonWave Inc.

DragonWave designs, markets and supports broadband, wireless networking products for service providers and enterprises requiring reliable, predictable, interference-free, high-bandwidth transmission of real-time, IP applications. DragonWave products meet the demands of a wide range of applications as well as delivering a value proposition that enables operators and service providers an "invest as you grow" capability that leverages profitable growth. DragonWave is headquartered in Ottawa, Canada's high-technology capital. The company's Web site is <http://www.dragonwaveinc.com>

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