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## **DRAGONWAVE SECURES \$13.2 MILLION IN NEW FINANCING**

### ***Prominent U.S. Investor Spearheads Third Funding Round for Premier Supplier of High-Performance Wireless Networks***

Ottawa, Canada, October 15, 2002 – DragonWave Inc., a premier supplier of high-performance broadband wireless networking products, today announced that the company has secured \$13.2 million (CDN) in financing. This third round of funding – led by a prominent U.S. venture-capital firm, Enterprise Partners – brings the total investment raised to date by DragonWave to more than \$39 million (CDN) and will allow the company to ramp revenues and address new markets.

"The current investment environment is especially competitive, but we identified DragonWave as a uniquely compelling opportunity," said Naser Partovi, managing director with Enterprise Partners. "We are impressed with the company's proven management team, disruptive technology and comprehensive understanding of market drivers and trends. DragonWave is young in age but, importantly, very mature in approach. This company has actual, paying customers and the operational systems already in place to deliver and support its solutions. We were eager to be part of DragonWave's latest funding round."

Venture Coaches, a venture capital firm focused on the wireless and photonics sectors, participated in this financing round by increasing its investment in DragonWave. Said Claude Haw, managing partner with Venture Coaches, "DragonWave continues to demonstrate a sound management approach while building a business poised to capitalize on the build-out of broadband networks globally."

B.E.S.T. Fund, an investment counselor/portfolio manager, joined Enterprise Partners and Venture Coaches in this financing round.

"The support of each of these partners is a tremendous validation of our vision and ability to further execute," said Jim Arseneault, president and chief executive officer of DragonWave. "We are particularly happy to be commencing a relationship with Enterprise Partners because our presence in the critical U.S. market is expanded and strengthened by having a prominent investor with a wealth of valuable contacts there."

### **About Enterprise Partners**

Founded in 1985, Enterprise Partners is a venture capital firm investing in privately held early stage and emerging companies. Enterprise Partners is one of the top-performing venture capital firms in the United States with over \$1 billion of capital under active management. The current portfolio of Enterprise Partners includes many companies with disruptive technologies in both the telecom and life science industries as well as revolutionary enterprise software applications. Over the past seven years, Enterprise Partners has invested in more than 125 companies, many of which have led to successful public companies or been sold to existing corporations. Investors in the firm include top university endowment funds, top tier fund-of-fund managers and Fortune 100 pension plans. For more details about the firm, please visit our website at <http://www.epvc.com>.

### **About Venture Coaches**

Venture Coaches is a seed and early-stage venture firm committed to building the next wave of communication and information technology companies. The Partners have extensive operational knowledge and experience to mentor portfolio companies in technology development, corporate governance and business development. Portfolio companies include Meriton Networks, Spotwave Wireless, DragonWave, TrueContext, Chantry Networks and Seaway Networks. Venture Coaches is headquartered in Ottawa, with investments across Canada. For more information, visit [www.venturecoaches.com](http://www.venturecoaches.com)

### **About B.E.S.T. Fund**

B.E.S.T. Fund is a labour-sponsored venture capital fund with 16,000 shareholders and \$70 million in assets. The Fund's investment focus targets niche businesses that capitalize on innovative uses of engineering, science and technology. The Fund has a portfolio of 19 companies that are maturing, as 75% of the investments have revenues over \$5 million and many of the companies are either approaching or have achieved profitability. For more information visit [www.bestcapital.ca](http://www.bestcapital.ca).

### **About DragonWave**

DragonWave designs, markets and supports high-performance broadband wireless networking products for both Service Provider and Enterprise markets. The company's intelligent millimetre wave radios provide the building blocks that offer reliable and predictable interference free high bandwidth solutions for Realtime IP applications. DragonWave's solution is used by Service providers, enterprises and government bodies to rapidly introduce broadband access networks where fiber-optic or copper-line connectivity is either unavailable or impracticable. DragonWave is headquartered in Ottawa, Canada's high-technology capital. The company's Web site is [www.dragonwaveinc.com](http://www.dragonwaveinc.com).

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