

Elliptic Semiconductor Announces \$500,000 Seed Financing Round Led by Venture Coaches

22 October, 2002 – Ottawa, Canada. Elliptic Semiconductor, an early stage company in Wireless Local Area Network (WLAN) semiconductor products, announced today it has secured CDN \$500,000 in seed financing. The round was led by Venture Coaches and includes prominent angel investors. The financing will fund the development of Elliptic's first product – a complete networking and security solution for low power, hand-held applications.

"We're very excited about our investment in this promising young company" said Claude Haw, Managing Partner of Venture Coaches. "Elliptic Semiconductor has an excellent team, unique and highly attractive technology and is working in the hottest market – wireless local area networking (WLAN). We are very confident that this team can build a high growth business that will generate excellent financial returns."

Gord Harling, President and CEO of Elliptic Semiconductor added, "Venture Coaches has been a tremendous partner, providing not only financing but mentoring and contacts here in Canada and in the important U.S. market. This round also includes investment from prominent angel investors and was concluded in a very difficult environment – a reflection of our investors' belief in the business opportunity and management team."

The Elliptic team consists of experienced, industry veterans including Al Hawtin, VP, Marketing and Sales who formerly held senior management positions at Mitel Semiconductor (now Zarlink), Newbridge Networks and ATMOS Corporation and Mike Borza, CTO who held lead technical positions at Alcatel, Chrysalis-ITS and Startle Networks.

About Venture Coaches

Venture Coaches is a seed and early-stage venture capital firm committed to building the next wave of communications 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.

About Elliptic Semiconductor

Headquartered in Ottawa, Elliptic Semiconductor Inc (www.ellipticsemi.com) provides semiconductor products for low power designs of packet offload and security processing for wireless and handheld devices. The products offload the host processor and greatly reduce the power required for data transmission in 802.11, Bluetooth, W-CDMA, CDMA-2000, EDGE and many other wireless data services. Working in the most advanced semiconductor processes, Elliptic Semiconductor will become the leading player in the emerging semiconductor intellectual property market.

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