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CHANTRY NETWORKS SECURES \$11M IN EQUITY FINANCING

New Funding Comes on Heels of Rapid Customer Successes, Major New Product Announcement, and New Executive Hires

BOSTON—April 12, 2004—Chantry Networks, the leading innovator of routed wireless networking technology, today announced that it has secured an additional \$11 million in a Series B round of private equity financing. The round was led by Ventures West, one of Canada's largest and most well-respected privately owned venture capital companies. Flagship Ventures, Primaxis Technology Ventures and Venture Coaches/ Skypoint Capital also participated in the round.

Ted Anderson, senior vice president, Ventures West said, "In a short amount of time, Chantry Networks has eclipsed established players in the industry with an IP Layer 3 router-based solution that has proven its superiority in the most critical areas for enterprise WLAN purchasers: scalability, security, manageability, flexibility and seamless mobility." He added, "The Company's technical leadership is complemented by a management team with superb vision. Chantry is well positioned to capture a significant portion of the surging wireless data and voice communications platform market."

"This funding from top-tier investors leaves Chantry Networks well positioned to be the leading provider of integrated mobility solutions for users of enterprise applications and network services," said Peter N. Vicars, president and CEO of Chantry Networks. "By enabling enterprises to leverage their wired network investments by adding the benefits and competitive advantages of true wireless mobility, Chantry has swiftly landed world-class customers and attracted top talent to the organization. The funding will be used to ramp up our sales and marketing efforts to accelerate our customer growth and partnership development, while continuing to support innovation in our products to sustain our technical leadership."

Unlike traditional Layer 2 switch-based offerings, Chantry Networks' BeaconWorks™ provides wireless connectivity directly over IP (Internet Protocol). This approach enables out-of-the-box compatibility with leading wired network infrastructure, provides the foundation for wireless voice over IP (VoIP) and gives customers a future-proof solution for wireless data and voice communications.

The entire line of BeaconWorks products includes Chantry's innovative VNSWorks™ technology for intelligent wireless subnets that enable differentiated provisioning and policing between different types of user groups, over one physical network. This approach enables companies to

use wireless with their existing network security and VPN solutions, and provides unmatched functionality that is absolutely critical to large enterprises.

Chantry Networks' funding is the latest in a series of events propelling it to market leadership. These include: successful customer deployments in large convention centers and universities and a groundswell of new customer orders; strategic partnerships with leading technology providers including Blue Ridge Networks, CheckPoint, Propagate Networks and SpectraLink; the addition of a very experienced vice president of engineering to lead its technical team; and invitations to speak at nearly every significant wireless industry event and tradeshow in 2004. To date, Chantry Networks has raised \$20 million in financing.

About Chantry Networks

Chantry Networks is the creator of BeaconWorks, an innovative, IP-based wireless LAN (WLAN) solution. Offering unprecedented scalability and availability, coupled with unique network virtualization features, BeaconWorks overcomes the obstacles inherent in traditional WLAN systems to provide enterprises and service providers with the first economical and practical solution for building seamless and pervasive wireless networks. Founded in April of 2002, Chantry Networks is headquartered in Boston with offices in Chicago, Denver, New York, San Francisco and Toronto. Chantry is backed by top-tier investors including Flagship Ventures, Primaxis Technology Ventures, Venture Coaches/ Skypoint Capital and Ventures West.

About Flagship Ventures

Founded in 1999, Flagship Ventures (www.flagshipventures.com) is an entrepreneurship and venture capital firm comprised of a family of funds: OneLiberty Funds, AGTC Funds and NewcoGen Group. We currently invest from \$400 million in funds raised in 2000, and manage a total pool of committed capital approaching \$600 million. The Flagship Ventures team consists of 29 professionals focused on creating, financing, and building companies in the life science, information technology, and communications sectors.

About Primaxis Technology Ventures

Primaxis is an early stage Venture Capital fund that invests in leading-edge opportunities in the physical and engineering sciences. The Primaxis team includes entrepreneurs, scientists and engineers, and business executives, who bring sector expertise, broad operational experience and vision to our partner companies. The team works in close partnership with technology inventors and entrepreneurs to build high growth companies, and to build value in fundamental and strategic areas such as technology development, intellectual property management, business development, human resources and corporate governance. For more information, visit www.primaxis.com.

About Skypoint Capital

Skypoint Capital is an early-stage investor committed to building the next wave of successful 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. Skypoint Capital is headquartered in Ottawa, with investments across Canada. For more information, visit www.skypointcorp.com.

About Ventures West

Ventures West is an active venture capital partner that invests in early stage technology companies across Canada from offices in Vancouver, Toronto and Ottawa. Established in the Canadian venture capital market for over 30 years, Ventures West has formed eight venture capital funds which total over \$600 million and has invested in more than 125 companies.