



FOR FURTHER INFORMATION:

Spotwave Wireless

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Spotwave Wireless Closes CDN\$12 Million in New Financing

Orders Surging as Wireless Operators and Enterprises Get Serious About In-Building Coverage

Ottawa, Ontario, August 23, 2004 – Spotwave Wireless, an established leader in providing in-building wireless coverage solutions, today announced the completion of its latest round of venture capital funding totaling CDN\$7 million. Newbury Ventures and VenGrowth Capital Partners led the new capital infusion along with existing investors: Primaxis Technology Ventures, Venture Coaches (now merged with Skypoint Capital), The VentureLink Fund, GrowthWorks WV Funds, and a new investor, RBQ Limited. The Company also secured a CDN\$5 million committed credit facility for working capital purposes from the Royal Bank of Canada (RBC), bringing total funding received to date to over CDN\$35 million (USD\$27 million).

Pushed by market demand for more reliable in-building coverage and the roll out of new wireless data networks targeted heavily at enterprise users, North American wireless operators are now seriously addressing indoor coverage as a competitive service differentiator, and for the first time devoting significant portions of their network spending to address in-building coverage issues.

“Demand for Spotwave products is surging,” said Shane Young, President and CEO, Spotwave Wireless. “This funding will help us meet the demands of a growing pipeline of enterprise opportunities and maintain a leading share of new operator in-building network investments. Today’s announcement is another vote of confidence for Spotwave’s technology and its capabilities.”

“We invest in companies that exhibit a combination of strong entrepreneurial management, innovative products and rapidly expanding markets,” added Conrad Lewis, Venture Partner for Newbury Ventures. “Spotwave’s early leadership in a market expected to grow to over \$1.5 billion in the next few years, makes the Company an attractive and logical investment choice. We are excited about Spotwave’s success in North America and their prospects for the future growth in the rest of the world.”

“Vengrowth is pleased to add to our investment in Spotwave, given the quality and success of their existing offerings and the vision and direction of their future wireless solutions,” said Graham Matthews, General Partner, Vengrowth. “Customer validation from carriers indicates strong growth potential and we believe that the Spotwave team will continue to carve out a leading position in the emerging in-building market.”

Commenting on providing a credit facility to Spotwave, RBC noted: “We are impressed with Spotwave’s solid management team and the strategic partnerships they have built with North America’s leading wireless operators. We were pleased to grant them a credit facility to assist with their growth,” said Jim Blattman, Group Manager, Technology Banking, RBC Royal Bank.

Spotwave has deployed more than two thousand SpotCell systems for the top wireless carriers in North America, including Verizon Wireless, Sprint, Cingular, Rogers Wireless and Telus Mobility. Locations range from retail kiosks and shopping malls, to manufacturing plants and utilities, to hospitals and fire stations – even private residences. Spotwave’s scalable approach to solving in-building coverage focuses on addressing “problem areas within buildings” rather than the whole facility. This unique method of “thinking spots – not buildings” enables a robust coverage solution at a fraction of the cost and time required to engineer and deploy a more traditional in-building system.

About Spotwave Wireless Inc.

Spotwave Wireless provides the world’s most cost efficient solutions for in-building wireless coverage. The Company’s SpotCell family of adaptive repeaters eliminates coverage trouble spots and thereby provides cell phones and other wireless devices with reliable, always-on connectivity. Changing the economics of in-building coverage, Spotwave’s solutions are cost-effective, quick and easy to install, and require no maintenance. Spotwave solutions are also backed by a range of comprehensive installation services and support and are now the preferred coverage solution in networks operated by many of the top North American cellular and PCS carriers. The company website is www.spotwave.com.

About Newbury Ventures

Newbury Ventures is an international venture capital group focused on investing in and growing entrepreneurial companies in the communication and information technology sectors. The firm specializes in identifying opportunities for significant capital appreciation, by investing in promising entrepreneurial companies at early stages of their corporate development. Newbury’s partners have financed well over 100 successful emerging growth technology companies, with over a third conceived and built to leverage the binational investment model using multinational skills and resources. Newbury has recently expanded its reach into Canada, adding venture partners Conrad Lewis and Ken Wigglesworth, principals of Eagle One Ventures, based in Kanata, Ontario. Eagle One Ventures is a "mentor capital" firm created with the objective of accelerating the success of early stage telecom and networking infrastructure companies. www.newburyven.com www.eagleoneventures.com

About Vengrowth

With over \$1 billion in assets under management, VenGrowth is Canada’s largest private equity and venture capital firm managing both retail and institutional assets. Since 1982, VenGrowth’s accomplished team of seasoned private equity managers has invested over \$1 billion in 170 companies, building a strong track record of successful portfolio transactions. These investments have been made on behalf of over 160,000 individual investors as well as leading pension funds, insurance companies and family foundations. VenGrowth’s offices are located in Toronto (Corporate Headquarters) and Ottawa. For more information, please visit: www.vengrowth.com

About Primaxis Technology Ventures

Primaxis is an early stage Venture Capital fund that invests in leading-edge opportunities in the information technology sector. 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. Please visit www.primaxis.com.

About Skypoint Capital

Skypoint Capital forms and manages venture capital funds that stimulate and leverage the ever-changing telecommunications and information technology sector. Its funds provide early-stage equity capital to new or growing businesses with the potential to become major enterprises. With offices in Ottawa and Montreal, Skypoint Capital has US\$185 million under management and has invested in over 34 companies. www.skypointcorp.com

About GrowthWorks

GrowthWorks (www.growthworks.ca) is a recognized leader in venture capital fund management with proven experience in the raising, investing and managing of capital. GrowthWorks managed funds, including the Working Opportunity Fund and GrowthWorks WV Funds, have a combined \$750 million in assets. GrowthWorks has a team of skilled and knowledgeable investment professionals with a combined 200 years of experience. The Investment team has a proven track record of identifying, structuring and negotiating investments in companies in emerging sectors. GrowthWorks is a registered trademark of GrowthWorks Capital Ltd. www.growthworks.ca

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