

WaveRider Communications Inc. Acquires Avendo Wireless

Wednesday July 2, 7:02 am ET

Avendo's advanced technologies to be integrated with WaveRider's non-line-of-sight products and drive new product development

TORONTO--(BUSINESS WIRE)--July 2, 2003-- WaveRider Communications Inc. (OTCBB:[WAVC - News](#)), the leader in non-line-of-sight wireless broadband technology and deployments, today announced a definitive agreement to acquire Avendo Wireless Inc. of Mississauga, Ontario, Canada, a developer of new patent-pending advanced non-line-of-sight (NLOS) technologies.

The acquisition of Avendo provides WaveRider with new wireless technologies and an experienced research and development team to aid in expanding and enhancing WaveRider's non-line-of-sight wireless broadband products. The acquisition significantly strengthens WaveRider's financial position, with Avendo providing an estimated \$1 million of cash upon closing.

Under the terms of the definitive agreement, WaveRider will purchase all of the outstanding debt and equity of Avendo for approximately 9 million shares of common stock and 3 million common stock purchase warrants of WaveRider.

"With Avendo's advanced NLOS technologies integrated in our product line-up, we can expand our current products' capabilities and introduce new products that will serve larger, more densely populated areas," said Jim Chinnick, Chairman, Technology Board, WaveRider Communications Inc. "When launched, we expect these new products will significantly increase our market."

"Avendo's technology is set for the next stage in its evolution. As a result of the merger, we will have access to WaveRider's broad experience in the wireless broadband market and its operating and marketing capabilities. This will help to ensure the successful commercialization of our patent-pending technology," said Herman R. Chang, President, Avendo Wireless Inc.

"As one of the few wireless broadband companies to sustain its growth during the recent downturn in the telecommunications and financial markets, WaveRider has proven it has the right technology and the right team in place to bring the Avendo technologies to market and continue to build its leadership position," said Kerri Golden, Vice President, Primaxis Technology Ventures Inc., Avendo's lead investor. Other investors include BDC Venture Capital, Venture Coaches and Temple Ridge Capital.

Patent-Pending Technologies

Avendo has developed key technologies that enhance the delivery of NLOS wireless broadband. Its patent-pending MIMO (multiple input/multiple output) smart antenna technologies and associated modulation techniques have the capability to increase the throughput speeds, capacity and range of WaveRider's Last Mile Solution® and NCL families of 900 MHz NLOS products, and will be integrated into future product releases.

"WaveRider's product engineering team has remained focused on developing NLOS technologies that lead the industry in features and performance," added Chinnick. "We believe that Avendo's MIMO smart antenna technology will enable us to continue to introduce new industry-leading products."

The world leader in fixed wireless Non-Line-of-Sight Technology

WaveRider's Last Mile Solution® (LMS) is the world's first fixed wireless broadband product to deliver true non-line-of-sight Internet connections in the license-exempt spectrum. WaveRider's LMS is distinguished in the non-line-of-sight category by its user-installed indoor antenna, which enables broadband connections through buildings, tree canopies and other line-of-sight barriers.

WaveRider's NLOS system delivers up to 2.0 Mbps throughput at a range of up to two miles, in non-line-of-sight conditions, with WaveRider's indoor antennas. For installations using outdoor antennas, WaveRider's NLOS products delivers throughput speeds of 2.0 Mbps at a range of up to five miles, in non-line-of-sight conditions, and up to 25 miles (40 km) when there is a line-of-sight connection between the base station and subscriber antenna.

The Last Mile Solution® systems also include WaveRider's proprietary Dynamic Polling MAC and grade of service controls, which enable operators to easily manage their networks and deliver broadband services to hundreds of subscribers using a single base station unit.

WaveRider's LMS systems have been deployed by service providers in 45 U.S. states. WaveRider's customers have now made wireless broadband service accessible to hundreds of thousands of potential subscribers across the country.

About WaveRider Communications Inc.

WaveRider Communications Inc. (<http://www.waverider.com/>) is a leading global provider of fixed wireless Internet access products. WaveRider's Last Mile Solution® and NCL product families include license-exempt non-line-of-sight wireless systems that connect businesses and residential subscribers to the Internet. WaveRider is traded on the OTC Bulletin Board, under the symbol WAVC.

About Avendo Wireless Inc.

Avendo Wireless (<http://www.avendowireless.com/>) is a privately-held technology developer located in Mississauga, Ontario, Canada. The company designs, develops and licenses advanced fixed broadband wireless technology to wireless equipment vendors. The company's technology significantly improves spectral efficiency, ability to operate in non line of sight environments and reliability to meet the needs of leading equipment vendors and their customers. Information on Avendo's investors is available on the Avendo website.

About Primaxis Technology Ventures Inc.

Primaxis (<http://www.primaxis.com/>) is a Toronto-based early stage venture capital fund that invests in leading-edge opportunities in the physical and engineering sciences. Primaxis, founded in 1998 by RBC Technology Ventures and BTG PLC, was created to increase the availability of seed capital in the Canadian marketplace.

Except for the historical statements made herein, this release contains forward-looking statements that involve risks and uncertainties including the risks associated with the effect of changing economic conditions, trends in the development of the Internet as a commercial medium, market acceptance risks, realizing expected revenue, technological development risks, and seasonality. Risk factors also include the company's ability to secure additional financing; the company's ability to commercialize its products; the company's ability to compete successfully in the future against existing or new competitors; the company's ability to protect its intellectual property and the assurance that the rights

granted under patents or copyrights that may be issued will provide sufficient protection to its intellectual property rights; the company's success in enhancing existing products and developing new products to keep up with the technological advances in the data communications industry; the continued availability of the license-exempt spectrum which is based on regulation by U.S. and foreign governments; the company's ability to avoid significant product liability exposure; the company's dependence on a limited number of third party manufacturers; the company's ability to execute its business plan and generate an overall profit and other risk factors detailed in the Company's filings with the Securities and Exchange Commission, including the company's annual report on Form 10-K as amended. Due to these factors, actual results could differ materially from those expressed in forward-looking statements by the company.

Contact:

WaveRider Communications Inc.
WaveRider Corporate Communications
Carolyn Anderson, 416/502-2978
canderson@waverider.com
or
WaveRider Investor Relations, 416/502-3265
investors@waverider.com
<http://www.waverider.com/>

Source: WaveRider Communications Inc.