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## **Novatel Wireless Completes \$30.4 million in Mezzanine Finance Round**

### **Company Accelerates Development and Production of High Speed Wireless Data Products**

San Diego, CA - January 11, 2000 - Novatel Wireless, Inc., a leading provider of wireless Internet solutions, today announced the completion of a \$30.4 million equity financing round. The financing was led by Cornerstone Equity Investors, LLC, a leading private equity investment firm, and agented by the investment banking firm of US Bancorp Piper Jaffray. Other investors included MF Private Capital, Inc., Gemini Investors and Capital Research and Management Company. Novatel Wireless will use the additional capital to meet expansion needs due to anticipated sales volumes of the company's Merlin<sup>®</sup> PC Card and Minstrel<sup>®</sup> product lines, as well as the continued development of new high speed wireless Internet products based on the Metricom Ricochet 2 and GSM networks.

"This additional financing will allow us to accelerate our product development and launch plans to meet the needs of our customers and strengthen our position as a wireless industry innovator," explains Robert Corey, CEO of Novatel Wireless. "The overwhelming demand for the Merlin PC card and our award-winning Minstrel family of palmtop modems have exceeded our early projections and have fueled our entry into the high speed data market."

Novatel Wireless began shipping the Merlin, a Type II wireless PC card for Windows<sup>®</sup> computers, and the OmniSky<sup>®</sup> Minstrel V<sup>®</sup> wireless modem for Palm V connected organizers in the 4th quarter of 1999. Both products employ the Cellular Digital Packet Data network which is deployed across the United States and some international markets. The Merlin and Minstrel enable wireless Internet and email access at data speeds up to 19.2 kbps.

"We are excited to support Novatel Wireless' development plans in this critical growth phase," says Robert H. Getz, Managing Director of Cornerstone Equity Investors, LLC. "Novatel Wireless is a proven technology leader, shaping the convergence of the wireless telecommunications, the Internet and mobile computing industries. Their high speed wireless data products will change the way we access information from the home, road or office."

In recent months, Novatel Wireless has landed multi-million dollar contracts from OmniSky Corporation, Metricom and @Road to produce wireless data products. Among the emerging technologies that Novatel Wireless will support in 2000 are Metricom's Ricochet 2 and the GPRS/GSM networks, which offer wireless data connections at 128 kbps. Development work on these networks combined with the company's knowledge of existing wireless technologies lay a strong foundation for the migration to 3G solutions. Novatel Wireless continues to develop strategic partnerships with an impressive roster of companies including AT&T Wireless, Bell Atlantic Mobile, Microsoft Corporation and Palm Computing.

Novatel Wireless, Inc. is a leading-edge wireless communications company headquartered in San Diego. The company designs and markets low-cost, turnkey wireless Internet solutions for both mobile and fixed environments. Novatel Wireless' product

portfolio includes the Merlin<sup>®</sup> TM PC card, the Minstrel<sup>®</sup> line of modem cradles, the Viking<sup>®</sup> line of wireless ruggedized laptops,

the CONTACT<sup>®</sup> Wireless H/PC, the Sage<sup>®</sup> Wireless IP Modem, the 3-Watt Modem and the NRM-6812 and Expedite<sup>®</sup> TM OEM modules. Novatel Wireless is a privately held company. For more information on our products please visit the Novatel Wireless Web site: [www.novatelwireless.com](http://www.novatelwireless.com) or call 888-888-9231.