



July 11, 2000

Aether Systems Invests \$20 Million In Novatel Wireless, A Leading Manufacturer of Wireless Modems

Owings Mills, MD - July 11, 2000 - Aether Systems, Inc. (Nasdaq: AETH), a leading provider of wireless data products and services, announced today that the company has completed a \$20 million strategic investment in Novatel Wireless, Inc.

Novatel Wireless designs, manufactures and markets wireless Internet solutions for business professionals and end consumers, including wireless palmtop modems for Palm OS™ and Microsoft Pocket PC devices, wireless PC cards and serial modems for laptop and desktop computers, and wireless embedded modules for custom integration projects.

"We are very pleased to receive this strategic investment from Aether Systems, to continue development of products for the fast-growing wireless data market," said Melvin Flowers, chief financial officer of Novatel Wireless, Inc. "We look forward to a long-lasting partnership with Aether."

"Aether and Novatel Wireless have enjoyed a successful relationship, working together to provide leading wireless solutions," said David S. Oros, Chairman and CEO of Aether Systems. "As the market for wireless data continues to grow, we hope this investment will help Novatel Wireless and Aether take advantage of the opportunities that await."

About Aether Systems, Inc. Aether Systems, Inc. is a leading provider of wireless and mobile data products and services allowing real-time communications and transactions across a full range of devices and networks. Using its engineering expertise, the ScoutWare® family of products, the Aether Intelligent Messaging (AIM) software platform, and its network operations and customer care center, Aether seeks to provide comprehensive, technology-independent wireless and mobile computing solutions. Aether develops and delivers wireless data services across a variety of industries and market segments in the United States and internationally. Additional information about Aether is available at www.aethersystems.com.

About Novatel Wireless, Inc. Novatel Wireless, Inc. is a leader in wireless Internet solutions, headquartered in San Diego, California. The company develops wireless system solutions for mobile and fixed environments enabling wireless access to personal, corporate and public information through email, corporate LANs and the Internet. Novatel Wireless' product portfolio includes the Minstrel® family of Wireless Palmtop Modems, Merlin™ Wireless PC Cards, Sage® Wireless Serial Modems, Lancer 3W™ Wireless 3 Watt Modems and Expedite™ family of Wireless Embedded Modules. Among the emerging technologies that Novatel Wireless will support in 2000 are Metricom's high speed 128 kbps Ricochet service and the new GSM/GPRS service at 56 kbps. For more information please visit the Novatel Wireless web site: www.novatelwireless.com or call 888-888-9231.

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