



August 6, 2002

Novatel Wireless Announces its Intention to Effect a Reverse Stock Split

Action Intended to Meet Nasdaq National Market Listing Requirement

SAN DIEGO, CA.-- August 6, 2002--Novatel Wireless, Inc. (Nasdaq: NVTL), a leading provider of wireless data communications access solutions, today announced that Novatel Wireless' board of directors has authorized a reverse stock split to be effected at a ratio of between one-for-ten (1:10) and one-for-twenty (1:20), subject to approval by the Company's stockholders at a special stockholders' meeting scheduled for September 17, 2002. The record date for determination of shareholders entitled to vote at the meeting is August 7, 2002. Novatel Wireless currently has approximately 76.2 million outstanding common shares of stock.

Novatel Wireless received a Nasdaq Staff Determination letter at the close of business on July 31, 2002, indicating that the Company's common stock does not comply with the \$1.00 minimum bid price requirement for continued listing on The Nasdaq National Market set forth in Nasdaq Marketplace Rule 4450(a)(5), and that Novatel Wireless' common stock is therefore subject to delisting from The Nasdaq National Market.

"The purpose for the reverse stock split is to reduce the number of outstanding shares of our common stock so that the minimum bid price increases to above \$1.00," stated John Major, Chairman and Chief Executive Officer. "By completing a reverse stock split, the Company hopes to maintain its continued listing on The Nasdaq National Market."

"Alternatively, the Company could also request transfer of its common stock to The Nasdaq SmallCap Market. While we are comfortable with the prospect of trading on Nasdaq's SmallCap Market, we do believe the volume of our stock and our strong business prospects justify a stock split that should help us stay on The Nasdaq National Market," added Mr. Major.

Novatel Wireless today requested a hearing before a Nasdaq Listing Qualifications Panel to review the Staff Determination in light of the proposed reverse stock split. A date for this hearing has not yet been established. Novatel Wireless has been advised that Nasdaq will not take any action to delist Novatel Wireless' common stock from The Nasdaq National Market pending the conclusion of that hearing.

The reverse stock split will reduce the number of common shares issued and outstanding but, other than treatment of fractional shares, will not affect a shareholder's proportionate equity interest or voting rights in the Company. The conversion features of the Company's convertible stock, including preferred stock, options and warrants, will automatically adjust proportionately with the reverse stock split.

ABOUT NOVATEL WIRELESS, INC.

Novatel Wireless, Inc. is a leading provider of wireless data modems and software for use with handheld computing devices and portable personal computers. The company delivers innovative and comprehensive solutions that enable businesses and consumers to access personal, corporate and public information through email, enterprise networks and the Internet. Novatel Wireless also offers wireless data modems and custom engineering services for hardware integration projects in a wide range of vertical applications. The Novatel Wireless product portfolio includes the Minstrel[®] Family of Wireless Handheld Modems, Merlin(TM) Family of Wireless PC Card Modems, Sage[®] Wireless Serial Modems, Lancer 3W(TM) Family of Ruggedized Modems and Expedite(TM) Family of Wireless Embedded Modems. Headquartered in San Diego, California, Novatel Wireless is listed on the Nasdaq Stock Market (Nasdaq: NVTL). For more information, please visit the Novatel Wireless web site: www.novatelwireless.com or call 888-888-9231.

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This release may contain forward-looking statements, which are made pursuant to the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include risks relating to technological changes, continued acceptance of Novatel Wireless' products and dependence on intellectual property rights. These factors, as well as other factors that could cause actual results to differ materially, are discussed in more detail in Novatel Wireless' filings with the United States Securities and Exchange Commission and other regulatory agencies.