OVERVIEW

- Our Distributed Antenna Array Technology
- Fiscal 1995 in Review
- International Activities
- CDMA - What Happened?
- Outlook and Projections
FY ‘95 in Review: Highlights

- Sold $1.4 million of MEX and BEX products to 11 customers in 7 different countries
- Completed successful field trials of RAD and RASP and sold $300,000 of these products
- Positioned company for sales of RAD and RASP products into rollout of North American PCS networks
- Raised $2.3 million through exercise of 5 million share purchase warrants
Company Performance - Financing

- Cash on hand - February 28, 1995: $116,132
- $10.8 million Special Warrant Financing - July 1995
- $3.5 million exercise of warrants and share options - March through June 1995
- Cash on hand August 23, 1995 - in excess of $11.5 million
The Wait for PCS is Over...

- New wireless systems offer secure voice / data in:
  - wide area mobility
  - business
  AND
  - residential service (i.e. LOCAL LOOP)
- PCS is here NOW

The REAL target of PCS
Our Distributed Antenna Arrays

- Replace high power transmission towers
- Integrate Cable-TV and wireless networks
- Extend the reach of wireless service into buildings, tunnels, undergrounds and homes
- Help wireless network operators fulfill the promise of affordable, ubiquitous, advanced personal communications services

Operators → COVERAGE! → Subscribers
DAA Overview

- Networks of smart, low-power repeaters
- Centralized resources
- Minimize costs
Activities in Canada

- Sep’94: Major CT2+ contract announced with Microcell 1-2-1
- Dec’94: Industry Canada announces PCS licensing process; Microcell 1-2-1 cancels CT2+ contract
- May’95: Renewed MoU with Microcell 1-2-1 for 1.9GHz products
- Dec’95: Industry Canada announces PCS license holders
- 1996: Network rollout begins
Activities in Asia

- **June’94**: China - Purchase of 5 CT-2 trial systems
  Operators: Guangzhou, Shenzhen, Shenvang, Wenzhou, Dalian
- **Dec’94**: Sale of additional CT-2 systems to China
- **Jan’95**: Extensive CT-2 trials underway in China
- **Aug’95**: Sale of US$560K of CT-2 MEX/BEX units
- **Sep’95**: PCS Wireless holds seminar in China
- **Feb’96**: PCS1900 systems expansion into Korea
Activities in Europe

- July’94 - May’95: Sale of CT-2 BEX/MEX Trial Systems to France Telecom, Matra Communication and Dassault
- Fall’95: GSM Cellular MEX trial in UK
- Fall’95: Projected commercial sales of CT-2 system
Activities in the US

- Sep’94-Jun’95: Sale of prototype Platform RAD to Ericsson, Motorola, NorTel, AT&T, Nokia
- Mar’95: Major Supply Agreement with Motorola for Platform RAD units
- Apr’95: Major Supply Agreement with Ericsson for GSM Platform RAD units
- Jul’95: Sprint Telecommunication Venture (STV) selects CDMA technology
Activities in the US

- Aug’95: Ericsson GSM Supply Agreement cancelled
- Aug’95: Expected pre-production CDMA system marketing trials
- Nov/Dec’95: Major CDMA network vendors selected
- Oct’95: Cellular MEX commercial trial
- Q1 ’96: CATV/CDMA network rollout begins
CDMA - Industry Situation

- New technology
- Untried
- Made in America

GSM (Global)

- Proven technology
- Extensively tested
- European
CDMA - Market Positioning

Ericsson
- No CDMA
- Must win time to market
- Spent significant $$$ attempting to secure STV contract

AT&T
- CDMA ONLY, NO GSM
- Very confident in CDMA
- Have financing capability

Nortel
- Supplies both CDMA and GSM

Motorola
- Supplies both CDMA and GSM
- Switched trials to CDMA 4 months ago
Outlook and Projections: The US PCS Market

- 102 major licenses (MTA) issued
- Almost 500 additional basic licenses (BTA) due to be auctioned
- When all is said and done:
  - 6 new service providers everywhere in US
  - PLUS 2 existing cellular providers
  - PLUS several additional data and 2-way paging operators
Outlook and Projections: The US PCS Market

CDMA National Service
- PrimeCo + cellular backfill
- STV (over CATV, from scratch)
- NAW (from scratch)

PCS GSM National Service
- GO (from scratch)
- DCR (from scratch)

IS136 National Service
- AT&T Wireless + cellular backfill

Others
- BellSouth (GSM)
- PacTel (GSM)
- WesternPCS (GSM)
- APC (GSM)
SUMMARY

- FY’96 was a building year
- We are well positioned to supply CATV based PCS systems (RADS) for BOTH GSM and CDMA
- We have over $10 m cash on hand
- We have a superb development team
- We are diversifying our product line and expanding into new international markets
Overview

- PCS Wireless, Inc.
- Meeting Operator Challenges
- CablePATH RAD/RASP Overview
- New Project:
  - HomePATH 1.9GHz
  - MEX slaved to RAD
- CablePATH RAD/RASP Training
- Other issues
PCS Wireless, Inc.

- Who are we?
  - a Vancouver based, Canadian public company
  - a pioneer in Distributed Antenna Array technology since 1990

- What do we bring to the industry?
  - a fresh set of network deployment alternatives
  - efficient, low-cost indoor/outdoor wireless coverage deployment solutions
Meeting Operator Challenges

- Offer a new generation of wireless services:
  - Planning
  - Buildout
  - Marketing
  - Infrastructure
  - Operations
  - Subscriber
  - Distribution
  - New markets
  - Integration

Quickly
Affordably
Creatively
The RF Delivery Factor

NETWORK SERVICES
Smart Call Handling
Single Number
Service Integration
Discrete Billing
...

COVERAGE!

SUBSCRIBER DEVICES
Cheap Handsets
 Longer Talk/StandBy
Voice/Data Capable
 Mixed Public/Private
...

Changing the way the world communicates
RF Delivery Alternatives

- Conventional Distributed Base Stations
- Passive Distributed Antennas
- Active Distributed Antennas
PCS Wireless Product Family

PATHWAY

CablePATH
- DCS1800/1900
- CDMA1900

HomePATH
- DCS1800/1900
- CDMA1900

CordlessPATH
- CT2/CT2+
- Freeset

CellPATH
- AMPS/D-AMPS
- CDMA
- GSM

PCSPATH
- DCS1800/1900
- CDMA1900
- IS136
- DECT1800/1900

PCS WIRELESS, INC.
Changing the way the world communicates
Network Convergence: The Hybrid Fiber Coax Factor

Wired
- Local Loop
- Long Distance

Wireless
- Cellular
- PCS
- Messaging

HFC

PCS WIRELESS, INC.
Changing the way the world communicates
CablePATH RAD/RASP

CablePATH cells

PCS Network

HFC/CATV Network

Macro Cells
CellPATH & PCSPATH
Public/Private Application
PCSPATH 1.9GHz MEX

- Public and private market subnets slaved off a RAD acting as a “gateway”
- Uses dedicated coaxial cable. This allows multi-band, multi-vendor usages (e.g. mixed public 1.9GHz network with private 902 MHz networks).
Field Trials

- Time Warner - CATV CT-2 PCS Network
- Satcom - MMDS PCS Network
- Cable Montana - CATV PCS Network
- US West - CT-2 PCS Network
- Pactel - DCT900 Wireless PBX
- US CableLabs - CATV PCS Network - Multi-Standard RAD
- Cablevision Systems Corp - Vehicular CATV PCS Network
- COX - CDMA CATV PCS Network
- Adelphia - CATV PCS Network
- Motorola/RTI - Vehicular PCS Network
- Ericsson/COX - DCS1900 CATV PCS Network
- Motorola/COX - DCS/CDMA 1900 CATV PCS Network
- Northern Telecom/COX - DCS1900 CATV PCS Network
- AT&T Network Systems - CDMA1900 CATV PCS Network
- Nokia - DCS1900 CATV PCS Network
Field Trials

- Hutchison
- Pacific Telelink
- Chevalier Telepoint
- Malaysia Telekom
- Singapore Telecom
- France Telecom

Public Area CT-2
MEX Networks

Hong Kong
Malaysia
Singapore
France
Current Sales

**Regulatory Approvals Pending**
- United States
  - Telesis - John Muir Hospital
  - Motorola - DCS1900 Platform RAD
  - Ericsson - DCS1900 Platform RAD

**Regulatory Approved**
- Hong Kong
  - Hutchison
- Vietnam
  - Chinese CT-2
  - Vietnam/Steamers Communications
- Australia
  - Telecom Australia (Telstra)

PCS WIRELESS, INC.
Changing the way the world communicates
Distributed Base Stations

Conventional Distributed Base Station
Macro-Cell Coverage Deployment

Network Architecture

Resulting Coverage

Rooftop Base Station
Tower and Base Station
Cellular or PCS Handset

Mobile Switching Center
Distributed Antennas

Distributed Antenna Array
CATV Micro-Cell
Coverage Deployment

Network Architecture

Base Stations Centralized at Head End location
Remote Antenna Driver (RAD) Mounted on Cable-TV Plant
Remote Antenna Signal Processor (RASP) provides interface between base stations and CATV network
Cellular or PCS Handset

Resulting Coverage
Typical DCS1900 Tx over CATV

Six D/S DCS Carriers and 1 Control Carrier in a 4.5MHz "Channel Slot" for an IRC CATV Plant
Typical DCS1900 Rx over CATV
Conventional Coverage Deployment

- Macro-cells: 5 - 20 km
- Micro-cells: 0.5 - 5 km
- Pico-cells: 25 - 500 meters
Wireless Services Evolution

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<th>Technology</th>
<th>Mobility</th>
<th>Market</th>
<th>Capacity</th>
<th>Privacy</th>
<th>Cost</th>
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<td>Analog</td>
<td>Limited</td>
<td>Residential</td>
<td>Voice only</td>
<td>Unprotected</td>
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<td>Cellular 80’s</td>
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<td>Vehicular</td>
<td>Business</td>
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<tr>
<td>PCS 90’s</td>
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<td>Vehicular/Pedestrian</td>
<td>Multiple</td>
<td>Voice and data</td>
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“PCS is likely to be a $50 Billion industry by the close of the decade. The system will serve as many as 150 million people worldwide and 60 million people in the United States . . .”

- IEEE Communications
“The next decade will see the emergence of fortunes in ever-changing transmutations of PCN, digital video, multimedia and wireless computers that dwarf the yields of cable and cellular.”

- Forbes Magazine
Field Trials

- Rogers - World’s First CATV Based PCS Ntwk
- Canadian Cable Labs - CATV Network CT-2 RAD Trials
- Cantel - Public Area CT-2 MEX Trials
- BC Mobility - In-Building Wireless PBX MEX Trials
- Northern Telecom - CT-2+ Trials
- Ericsson - DCT900 Freeset Trials
- Telezone - CT-2+ Public Network
- Microcell 1-2-1 - CT-2+ Public Network
Intellectual Property

- Protection Mechanisms
- Patents, Pending Patents
- Trade Secrets
- Copyrights
- Know-How
Key Operating Personnel

Ralph Scobie  President & CEO
Derek Spratt  Executive VP
Andrew Beasley  VP Technology
Paul Lancaster  VP Engineering
Suresh Singh  VP Operations
Guylain Roy  Director of Sales
Key Operating Personnel (Cont.)

Richard Topham  Financial Controller
Evelyn Haines  Office Administrator
Anthony Chu  Director of Quality
Stephen Vandenbrink  Project Manager - 900 MEX
Dean Schebel  Project Manager - All RAD
Brad Kelly/Bob Ballam  Project Managers - 1.9 MEX
Lewis Yu  Asia Sales Mgr
Herman Van de Kerkoff  Manufacturing Mgr
Paul Marcanto  Service Supervisor
Board of Directors

Ralph Scobie  Director
Derek Spratt  Director
Don Sheldon  Director
Todd Parker  Outside Director
Finances: Capitalization Structure

- 20,500,000 issued and outstanding shares
- 24,000,000 fully diluted
- Initial private placements for financing the business were handled by Canaccord and First Marathon
- Completed a $7 Million financing in the last year for business operations/aquisition
## Finances: 4 Year Proformas (000’s)

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<td>Net Income</td>
<td>(998)</td>
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<td>3,242</td>
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