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THE PETABIT ROUTING COMPANY

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For immediate release

Hyperchip Raises \$70 million to Commercialize its Carrier-class Super Core Router

**-- Additional funding will strengthen Hyperchip as the company
conducts trials with leading international carriers --**

MONTREAL - January 18, 2002 - Hyperchip Inc., The Petabit Routing Company™, announced today that it has secured \$70 million in its fourth round of financing, bringing the total amount raised to some \$220 million. Lead investor TechnoCap was joined by Vertex Technology Fund, Advent International, Optical Capital Group, JF Ventures, Artémis and Pilgrim Baxter. This round includes a \$50-million loan from Investissement-Québec.

This new funding strengthens Hyperchip as the company continues trials with leading international carriers and prepares to commercialize its carrier-class core router that scales from tens to millions of gigabits per second of capacity.

“Our new funding gives us the financial support required to bring our innovative solution to market,” said Brian Barry, Hyperchip’s Chief Executive Officer. “Carriers around the world are telling us that they are experiencing significant growth of their Internet traffic, and that they are looking for a new breed of high-performance core router that can cost-effectively grow with their networks,” added Barry. “They also want core routers that offer the performance, reliability and flexibility of their legacy carrier-class circuit switches so they can generate new revenues from their IP networks by improving the quality and diversity of their service offerings.”

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In a recent CIBC World Markets Equity Research report, researchers Steve Kamman and James Moon anticipate sales of core routers to grow to roughly US \$6 billion by 2006. They believe that continued Internet traffic growth is straining the design limits of Internet backbone carriers' existing networks, opening the doors to innovative solutions developed by start-ups like Hyperchip.

About Hyperchip

Based in Montreal and Dulles (Virginia), Hyperchip is defining the future of the Internet with cost-effective, high-performance systems that simplify the core routing network and enable the wide-scale deployment of a route-once topology. Hyperchip's routers are compatible with existing network architectures, reducing operating and capital costs while delivering the high-quality bandwidth necessary to support high-revenue services. Hyperchip's carrier-class technology scales upward to route approximately 1,000 times more Internet traffic than today's solutions, eliminating the need for costly forklift upgrades for network operators.

Hyperchip's technology solves the scalability and total-cost-of ownership challenges that global carriers, back-up data centers and future managed service providers must address in order to scale their businesses. Existing solutions were not designed from the ground up to cost-effectively address the massive scalability demands of the next ten years.

For more information about Hyperchip, visit the company Web site at www.hyperchip.com.

Note: All funds are in Canadian currency, unless specified otherwise.

- 30 -

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