

AVIAN COMMUNICATIONS CLOSES \$22 MILLION SECOND ROUND FINANCING

Argo Global Capital's Tom Wooters and Nokia Venture Partners' John Malloy Join the Board of Directors

Marlborough, Mass., July 18, 2001 - Avian Communications, Inc., a provider of next-generation mobile networking infrastructure equipment, today announced it has completed a \$22 million round of equity financing. New investors Argo Global Capital, Nokia Venture Partners, Wasserstein Ventures, YankeeTek Ventures, and Clarity Capital joined St. Paul Venture Capital, Avian's first round investor. The company will use the new funding to grow aggressively to support product development through its scheduled customer trials.

With the closing of the financing round, Tom Wooters, Vice President and Partner of Argo Global Capital, and John Malloy, Managing Partner of Nokia Venture Partners, join Avian Communications' Board of Directors. Vijay Rajamani, Vice President of Wasserstein Ventures joins the Board as an observer. "Avian Communications has all the ingredients we look for in an investment and we are very excited about the company's prospects in this fast growing wireless market space. Avian's products address real issues faced by wireless operators as they add IP services to their wireless networks," said Tom Wooters, Vice President and Partner, Argo Global Capital.

"Avian's product fulfills a unique need in the Wireless IP marketplace. With its strategic business model and unique embedded technology, Avian Communications is well positioned to play an important role in the wireless infrastructure market space. We are very pleased to be part of this team," said John Malloy, Managing Partner, Nokia Venture Partners.

New Category of Advanced Intelligent Mobile Data Infrastructure Equipment

Avian Communications is building a new category of mobile data infrastructure equipment, called a Mobile Services Switching Platform (MSSP). This new network element will enable advanced intelligent mobile data services for wireless operators.

"Wireless operators today have long and well-established relationships with their infrastructure equipment vendors who are supplying them with the basic core elements," said Raj Alur, CEO, Avian Communications. "Unlike these elements, which require a tight allegiance to the radio access network and existing wireless network; the MSSP is vendor independent and compatible with all existing networks."

Avian's MSSP provides a revenue-generating services base for wireless operators that will extend into 3G networks as well as into wireless LAN enhanced 4G networks. This new category is analogous to Service Switching Points, or SSPs, in traditional telephony networks which enabled advanced intelligent network services such as 800 numbers, 900 numbers, Caller ID and Caller Name. The MSSP category complements the investments and efforts of the incumbent service providers and existing equipment vendors.

"We are extremely pleased with our investment in Avian as well as the team the company has assembled to address this exciting new market and the addition of the new investors in this round substantially strengthens and adds to the powerful focus of the company," said Rod Randall, General Partner, St. Paul Venture Capital, and Chairman of Avian Communications' Board. "Avian's MSSP represents an important

new category in the network infrastructure in the 'IP-ization' of the network in the wireless domain."

"As operators prepare for the demands of next generation 'always on' wireless networks, they face the mounting challenge of continuing the revenue growth based on the existing business model," said Howard Anderson, Senior Managing Director at YankeeTek Ventures. "Avian solves this problem by providing the tools necessary for operators to monitor their networks, create advanced services and foster new business models."

About Avian Communications

Avian Communications is a start-up company building a new category of Mobile Data Infrastructure equipment called a Mobile Services Switching Platform (MSSP). This optimized mobile services platform enables operators to more flexibly and more profitably monetize 2.5G and 3G networks by leveraging the IP-ization of the mobile network infrastructure. Avian Communications is privately held and supported by venture financing from St. Paul Venture Capital, Argo Global Capital, Nokia Venture Partners, Wasserstein Ventures, YankeeTek Ventures, and Clarity Capital.

About St. Paul Venture Capital

St. Paul Venture Capital is one of the largest early-stage venture capital firms in the United States with \$3.0 billion in committed capital and offices in Minneapolis, Boston and Silicon Valley. The firm, founded in 1988, invests primarily in the areas of Communications, Business Applications/Services, Consumer Technology, and Health Care. Additional information can be found at the firm's website at www.stpaulvc.com.

About Nokia Venture Partners

Nokia Venture Partners is a leading global venture capital firm based in Menlo Park, California. Launched in 1998, Nokia Venture Partners has USD\$650 million under management and leads investments in early stage mobile technology companies around the world. The fund is backed by a number of limited partners including BMC Software, CDBWebTech, Goldman Sachs, Nokia, and others, and has a strong track record of leveraging its combined resources, experience and contacts to help build successful mobile businesses. The firm also has offices in Washington DC, London and Helsinki. For more information, visit www.nokiaventurepartners.com.

About Argo Global Capital

Argo Global Capital, founded in 1997 and with more than US\$ 425 million under management, is a leading international venture capital firm dedicated to the wireless industry and the convergence of wireless and the Internet. Argo's two funds, GSM Capital LP and ARGO II-The Wireless Internet Fund LP, have made more than 35 investments in the wireless sector in Europe, North America and Asia from its offices in Montréal, Boston, London and Hong Kong. The Telesystem Group, one of Argo's founding partners, as well as major wireless players around the world - including France Telecom, Deutsche Telekom, ESAT, Singapore Telecom, SmarTone, VoiceStream, Microcell Telecommunications and TIW - all contribute capital and on-going support to Argo's funds and its portfolio companies. For more information, visit www.argoglobal.com.

About Wasserstein Ventures

Wasserstein Ventures, the venture capital affiliate of Wasserstein & Co., LP, manages \$300 million of venture capital targeted at innovative technology start-ups. Wasserstein Ventures actively helps build successful companies in communications,

semiconductors, networking, digital media and Internet infrastructure. Wasserstein Ventures offers a unique blend of technological, operational and corporate finance expertise and a strong global relationship network. Wasserstein Ventures invests independent of geography and has offices in New York, San Francisco, and Palo Alto. Wasserstein Ventures has invested in more than 30 companies since 1996. Representative Wasserstein Ventures investments include Digital River (Nasdaq: DRIV), Qusion, SandCraft, <kpe>, eMotion, Triscend, Peregrine Semiconductor, HotRail (acquired by Conexant) and Cognigine. For more information, visit www.wasserco.com.

About YankeeTek Ventures

YankeeTek Ventures is a \$60 million venture capital fund for early-stage technology companies. The firm helps entrepreneurs incubate their startups by providing comprehensive resources, strategic advice, and an extensive network of business relationships to rapidly grow their ideas into strong, successful companies. The vision for YankeeTek Ventures is to give entrepreneurs both early-stage funding and intensive business support. YankeeTek Ventures takes an active involvement in its portfolio companies, helping technology startups go from concept to successful implementation. YankeeTek Ventures helps companies get access to the best partners, investors, sales channels, staff, and customers. The firm also provides comprehensive services to help founders minimize the time typically lost in the administrative, legal, financial, and recruiting activities of starting a new enterprise. For more information, visit www.yankeetek.com.

About Clarity Capital

Clarity Capital is one of the industry's first venture capital firms solely focused on investing in companies which are enabling the wireless internet. The firm is a member of the Aspen Investment Group and leverages a strong investment track record to help build leading technology companies. With offices in Boston and London, Clarity is an active investor and helps US companies gain a presence in Europe and execute strategic plans on a global level. For more information, visit www.claritycap.com.

For further information contact:

Kerry Brackett

Avian Communications

+1 508.787.0000 x. 101

pr@aviancommunications.com