



PORT NETWORKS

PRESS RELEASE

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February 21, 2006

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PORT NETWORKS COMPLETES ACQUISITION OF JABALI NETWORKS

Baltimore, MD – February 21, 2006 – One of Baltimore’s original Wi-Fi pioneers has joined forces with the city’s leading Wi-Fi company, as Jabali Networks founder Carl Peterson today completed the sale of his company to Port Networks in an all-stock transaction.

Jabali began as a community network based in a coffee shop in Fells Point in 2001, but grew over the years into an independent business run by Peterson and partner Alex Dominguez. Using a combination of cable feeds and wireless networking equipment, the pair served several dozen homes and businesses in the Fells Point neighborhood of Baltimore.

As the company matured, Peterson also developed proprietary software for mesh networking and an access control software package, called PHPMyPrepaid, that has been used by Jabali and by wireless network operators in Europe, the United States, and Costa Rica.

As a result of the acquisition, Port Networks will now use PHPMyPrepaid for access control and will market the software in the United States and international markets. The company is making a substantial investment in adding features to the software to compete with current packages from Airpath Wireless, Pronto Networks, and FatPort.

“We knew Jabali as a local Wi-Fi competitor,” says Port Networks General Manager Hugh Bethell, “but we had no idea about the tools they were developing until we went out on the web looking for a new access control solution. When we discovered what they were working on, we immediately thought it would be to everyone’s advantage to work together.”

As part of the transaction, Jabali’s network has been integrated into the Port Networks infrastructure, and all of the Jabali customers are now being served by Port Networks. This expands the Port Networks customer base, which remains the largest of any wireless Internet service provider in the Baltimore region.

Peterson will serve in the newly created position of Network Manager at Port Networks, with responsibility for the operation of the company’s Network Operations Center and distributed wireless network, and the design of new systems as the company continues to expand.

(MORE)

PORT NETWORKS, LLC

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**PORT NETWORKS COMPLETES
ACQUISITION OF JABALI NETWORKS, CONT.**

Port Networks, started in January 2003, offers high-speed, fixed-wireless connections for homes and businesses, as well as Wi-Fi sites at marinas, apartment buildings, and multi-tenant business locations. The company's service plans begin at \$24.95 per month for a personal Wi-Fi account, and include a \$295 per month Wireless T1 for business customers. In 2004, Port Networks acquired the assets and customers of Oneder Networks, another pioneer in the local market for wireless data services.

Port Networks and Jabali Networks are both privately held companies located in Baltimore, MD. Other terms of the transaction are confidential.

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