

## Vecima Networks Announces \$8 Million Sale of Radio Spectrum to Canadian Service Provider

**VICTORIA** – (August 2, 2011) – Vecima Networks Inc. (VCM:TSX) is pleased to announce that its subsidiary YourLink Inc. has entered into an agreement to sell a portion of its wireless spectrum assets in the 3.5 GHz band to a Canadian wireless service provider.

The transaction is structured in two phases. The first phase includes the purchase of 16 licences, predominantly in Alberta and Ontario for a purchase price of \$8 million. Following the Phase 1 closing, the purchaser will have paid for the option to purchase an additional 20 spectrum licences in a second phase for a purchase price of up to \$11 million on or before December 31, 2011.

The agreement also provides the purchaser with a right of first refusal for approximately \$1 million on additional spectrum licences in addition to those subject to the first two phases of the transaction.

The transaction is subject to customary conditions including the receipt of all requisite regulatory approvals.

The licenses sold in both phases together represent approximately 58% of YourLink's current sub-10GHz spectrum asset holdings measured on a MHz-POP basis.

"As we have mentioned on numerous occasions, Vecima's spectrum assets carry substantial value that is not reflected in their carried value. This transaction is further strong evidence of that," said Dr. Surinder Kumar, CEO of Vecima Networks.

### **About Vecima Networks**

Vecima Networks Inc. (TSX:VCM) designs, manufactures and sells products that enable broadband access to cable, wireless, fibre and telephony networks. Vecima's hardware products incorporate original embedded software to meet the complex requirements of next-generation, high-speed digital networks. Service providers use Vecima's solutions to deliver services to a converging worldwide broadband market, including what are commonly known as "triple play" (voice, video and data) and "quadruple play" (voice, video, data and wireless) services. Vecima's solutions allow service providers to rapidly and cost-effectively bridge the final network segment that connects the system directly to end users, commonly referred to as "the last mile," by overcoming the bottleneck resulting from insufficient carrying capacity in legacy, last mile infrastructures. Vecima's products are directed at two

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principal markets: Converged Wired Solutions and Broadband Wireless. The Company has also developed, and continues to focus on developing, products to address emerging markets such as Voice over Internet Protocol, fibre to the home and IP video. [www.vecima.com](http://www.vecima.com)

### **Forward-Looking Statements**

Certain statements in this press release may constitute forward-looking statements within the meaning of applicable securities laws. All statements other than statements of historical fact are forward-looking statements. These statements include but are not limited to statements regarding management's intentions, belief or current expectations with respect to market and general economic conditions, future costs and operating performance. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict, and/or are beyond our control. A number of important factors could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. These factors include, but are not limited to, the current significant general economic uncertainty and credit and financial market volatility and the distinctive characteristics of Vecima's operations and industry that may have a material impact on, or constitute risk factors in respect of Vecima's future financial performance, as set forth under the heading "Risk Factors" in the Company's Annual Information Form dated September 28, 2010, a copy of which is available at [www.sedar.com](http://www.sedar.com). In addition, although the forward-looking statements in this press release are based on what management believes are reasonable assumptions, such assumptions may prove to be incorrect. Consequently, readers should not place undue reliance on such forward-looking statements. In addition, these forward-looking statements relate to the date on which they are made. Vecima disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

### **Vecima Networks**

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