

RuggedCom Acquires WiNetworks Ltd.

Acquisition extends the RuggedCom Smart Grid strategy by adding WiMAX wireless broadband technology

RuggedCom Inc (“RuggedCom”) (TSX:RCM), Woodbridge, Ontario, Canada, September 17, 2009

RuggedCom, a leading designer and manufacturer of rugged communications networking solutions for mission critical applications in harsh environments, today announced it has purchased WiNetworks Ltd., a leader in the development of systems based on WiMAX 802.16e mobile broadband wireless technology. WiNetworks' technology is used by large private networks and service providers to extend mobile broadband connectivity over metropolitan areas. The WiNetworks WiMAX products will form the new RuggedMAX™ product line and augment RuggedCom's growing RuggedWIRELESS™ portfolio.

WiNetworks is composed of a team of wireless industry veterans who were early adopters of WiMAX technology. WiNetworks was the first company in the world to develop a small form factor base station based on the IEEE 802.16e standard and have it certified by the WiMAX forum certification wave 2, including MIMO functionality. Late last year WiNetworks became the first company to have a mobile WiMAX product certified by the FCC in the 3.65 GHz frequency band in the United States. WiNetworks has 57 employees with more than half of the staff in engineering roles.

“We created a RuggedWIRELESS™ division earlier this year in order to capitalize on a huge market opportunity for wireless technology in our target markets” explains Marzio Pozzuoli, President and CEO of RuggedCom. “Last month we added a 3G cellular router to our product offering to give our customers a wireless WAN option through the cellular service providers. Many of our customers are looking to deliver that same type of service, but maintain a greater level of control over the performance, reliability and security of the network. WiMAX is the best technology available to extend private IP networks wirelessly in a standards-based way. The WiNetworks product line is ideally suited to mate with our industry leading hardened networking products and drive automation further into the electric grid.”

The WiNetworks product offering consists of small form factor base station variants with differing power options and are available in a choice of licensed and unlicensed bands. In addition, WiNetworks has a line of subscriber devices for fixed and mobile applications. WiNetworks offers an open end-to-end solution by providing full interoperability with several third party device manufacturers and various ASN gateway vendors. WiNetworks has developed an additional mode of products which allows for full operation without the use of an ASN gateway, thereby increasing robustness and reducing costs and complexity - ideally suited for private network users.

“We are very excited about the addition of WiNetworks to the RuggedWIRELESS™ division,” said Elik Jaeger, Vice President, RuggedWIRELESS™. “We believe the combination of the WiNetworks product portfolio and engineering talent puts us in an immediate leading position in the WiMAX field and complements our wireless LAN switches and cellular routers, giving us a complete wireless product portfolio. WiNetworks has significant traction with strategic partners and end users, which will complement our strength in the vertical markets.”

WiNetworks has shipped thousands of mobile WiMAX systems around the world. RuggedCom is already engaged with RuggedMAX™ in trials and pilots with major electric utilities.

Under the terms of the share purchase agreement, RuggedCom will pay approximately US \$9 million in cash to acquire all the shares of WiNetworks plus assume WiNetworks' debt of approximately US \$5 million.

For more information about RuggedMAX™ please visit www.RuggedCom.com