



PacketHop Secures \$10 Million in Series B Financing

ComVentures Leads Investment Round as PacketHop Prepares for Aggressive Launch of Secure Mobile Mesh Networking Products

BELMONT, Calif. – August 10, 2004 – PacketHop™, Inc., a leader in secure mobile mesh broadband communications, today announced it has secured \$10 million in a Series B round of financing, led by ComVentures, a preeminent venture capital firm specializing in next-generation communication technology investments. The round also includes the participation of existing investors U.S. Venture Partners and Mayfield. PacketHop will leverage the capital infusion to fuel company growth and prepare for the commercial launch of its secure mobile mesh networking products, initially targeting the \$11 billion homeland security market.

The complete PacketHop software solution is quickly and easily loaded onto virtually any standard IP radio-equipped device such as commercial off-the-shelf laptops, tablets and PDAs. Devices enabled with PacketHop software can work together seamlessly and instantly to form a secure, scaleable and robust mobile broadband network. PacketHop's mobile mesh network does not require fixed network infrastructure such as base stations or access points to provide communications between devices. When fixed infrastructure is available, it is an additional resource utilized by the mobile mesh network to connect to a network backbone when necessary.

"PacketHop has established itself as a frontrunner in the mobile mesh networking market, having successfully addressed the most difficult technical challenges required to deliver instant, mobile broadband communications," stated Michael Howse, president and CEO of PacketHop. "With the closing of our Series B funding, and the completion of a highly successful trial deployment with the Golden Gate Safety Network, PacketHop is in an ideal position to widely deploy its technology and scale the company to satisfy the growing demand for its products in public safety, enterprise and consumer markets."

Roland Van der Meer, ComVentures partner, who today joins PacketHop's board of directors, added, "PacketHop is taking advantage of several significant developments in mobile communications. The company is leveraging the proliferation and tremendous innovation that is occurring in 802.11, as well as meeting all of the criteria for mission-critical communications as outlined by the Department of Homeland Security. We believe PacketHop's timing, accomplished management team, market strategy and technology are right on target for immediate and long term success."

"PacketHop technology offers tangible benefits to its initial target market of public safety agencies, first responders and homeland security personnel," noted Philip Marshall, research director of Wireless/Mobile Technology at the Yankee Group. "PacketHop's mobile mesh system offers a viable alternative to the expensive and proprietary legacy systems currently in place."

About ComVentures

ComVentures, a venture capital firm with more than \$1.5 billion under management, specializes in early-stage investments in the communications market. The firm focuses its investment expertise on pioneering companies that capitalize on the constant drive to build next-generation components, systems, software and services. ComVentures consistently uncovers groundbreaking communications technologies, helps lead and grow its portfolio companies, and assists these companies in deploying new technologies in an ever-changing marketplace. For more information, visit www.comventures.com.

About PacketHop

PacketHop, Inc. develops mobile mesh networking software which enables instant wireless group communication for commercial enterprises, government organizations and consumer markets. PacketHop Communication System software enables 802.11 standards-based devices to create extended Wi-Fi hot-zones on the fly – known as autonomous mobile mesh networks – which can securely operate with or without wireless access points. By making infrastructure completely optional, PacketHop delivers coverage whenever and wherever instant wireless broadband communication is needed – with greater resiliency, reliability and robustness than any other comparable technology. Along with the company's device agnostic mobile mesh networking solution that facilitates rapid and cost-effective deployments, PacketHop offers the Aware™ for Public Safety multimedia application with capabilities such as real-time multicast video, resource tracking, instant messaging and whiteboarding. Founded in 2003 and based in Silicon Valley, Calif., PacketHop is funded by venture firms U.S. Venture Partners, Mayfield, ComVentures and GF Private Equity Group, as well as SRI International. For more information on PacketHop, please visit www.packethop.com.

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