RURAL BROADBAND UPDATE

SPRING 2012

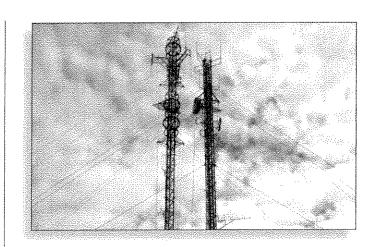
## 700 Mhz Spectrum Auction Rules Released – RULES STILL BIASED AGAINST RURAL BROADBAND

In March Industry Canada released new rules governing the upcoming auction of 700 Mhz spectrum. While Industry Canada declared the new rules a public policy success and cell phone providers generally approved of the rules, rural Canadians were largely forgotten.

Rural Internet Service Providers (ISPs) rely on spectrum to deliver broadband signals from towers to homes. In the absence of licensed spectrum, broadband capacity to the home may not be able to keep up with the demands of today's Internet users.

What happens in the end is that rural ISPs are shut out of the bidding, and urban cell phone companies get rural spectrum they can't use.

Rural ISP's, and the rural areas they serve, are often priced out of the spectrum market, because Industry Canada sells rural spectrum together with urban spectrum. In order to buy spectrum for Durham, for example, a rural Canadian ISP would have to bid for all the spectrum in Toronto. What happens in the end is that rural ISPs are shut out of the bidding, and urban cell

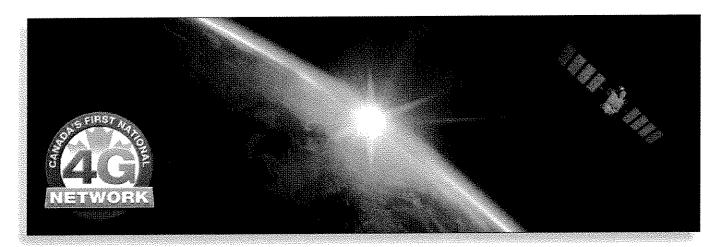


phone companies get rural spectrum they can't use. The new rules did not address this long-standing issue.

For that reason, Xplornet, and other rural ISPs would like to call on all MPs to help make the next auction work better for rural Canadians. That next auction will be for 2.5 Ghz spectrum which is also ideal for rural broadband applications. In that auction, rural and urban spectrum should not be bundled; they should be sold separately. With that small change, Internet service for rural Canadians can be improved.

Help us close the urban/rural digital divide. Let's have the 2.5 Ghz auction as soon as possible. And let's do it right.

### XPLORNET'S 4G SATELLITE IS LIVE



After months of testing and hundreds of millions of dollars invested, Xplornet has announced that their new 4G broadband satellite service is live and accepting rural customers from coast to coast.

This satellite, with the next one to be launched this year, and with Xplornet's growing national 4G terrestrial network mean that virtually all Canadians will have access to affordable broadband, regardless of location. The days of dial-up are behind us.

John Maduri, CEO of Xplornet Communications, called 4G satellite broadband "a game-changer" for Canada. "I can't overstate the importance to rural Canadians of being able to access fast, affordable broadband. This should matter to all Canadians. Universal access to and adoption of Internet technology has to be a national priority if Canada wants to compete and win in the global digital economy."

After the launch of ViaSat-1, Xplornet launched pilot subscriptions across rural Canada. According to Avis Sokol, Xplornet's VP of marketing, "Customers during the testing phase were

"I work from home and I used to have to go down to the local library to get most of my work done. Now I can work straight from home. Xplornet is a lifesaver."

Helen Sheldon from Trenton, ON

from select communities in Ontario, Alberta, and Quebec. Now, we begin marketing the service nationally through our national dealer network". The reviews from pilot subscribers are glowing. In the words of Helen Sheldon from Trenton, ON, "I work from home and I used to have to go down to the local library to get most of my work done. Now I can work straight from home. Xplornet is a lifesaver."

ViaSat-1 is the first of two 4G satellites. The second will be launched later this year and will further enlarge Xplornet's 4G footprint to make affordable broadband available to virtually all Canadians, regardless of where they live.

# SHAW DIRECT AND XPLORNET ANNOUNCE MARKETING AGREEMENT

Shaw Direct and Xplornet are proud to announce a marketing agreement that will offer increased value to Shaw Direct DTH video customers and Xplornet Internet customers.

Shaw Direct provides satellite services to more than 900,000 Canadian households, primarily in rural areas. Customers already benefit from Shaw Direct's exceptional quality HD offerings, which will dramatically increase with the launch of its new Anik G1 satellite in Fall 2012. With the new satellite, Shaw Direct will have more satellite capacity than any other provider in Canada, enabling the delivery of over 200 HD channels to customers.

"Our agreement with Shaw Direct to promote two services – video and Internet – together, specifically for rural Canadians is unprecedented."

John Maduri, Chief Executive Officer of Xplornet Communications Inc.

"Our customers have told us they're looking for the same exceptional experiences that are part of their Shaw Direct service," said Peter Bissonnette, President, Shaw Communications Inc. "Partnering with Xplornet will provide our rural customers with an exclusive bundle that fits their needs – and is part of our commitment as a leader in satellite technology and service." Xplornet is continually investing in state-of-the art broadband networks for rural homes and businesses. Last year, it commenced the rollout of Canada's first national 4G network and recently launched its first of two scheduled 4G broadband satellites. Xplornet's first satellite supports customer download speeds of up to 25 Mbps, with more capacity than all current North American broadband satellites combined.

"Our agreement with Shaw Direct to promote two services — video and Internet — together, specifically for rural Canadians is unprecedented," said John Maduri, Chief Executive Officer of Xplornet Communications Inc. "With the broad reach and appeal of Shaw Direct's video service, this initiative will support the adoption of high-speed Internet in rural Canada as well as our business growth."

The offer is available now, exclusively to Shaw Direct and Xplornet customers.

#### XPLORNET IS YOUR PARLIAMENTARY RESOURCE

Call on us for a briefing on rural broadband for your MP, Caucus or Committee.

#### Email:

government.relations@corp.xplornet.com www.xplornet.com





#### Smiths Construction Company A Division of Miller Group Inc.

276 Madawaska Blvd., P.O. Box 218 Arnprior, Ont. K7S 3H4

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May 23, 2012

613-735-0151
613-735-1031
613-732-8419
613-735-7427
613-586-2526
613-735-7288
613-732-5541

Ref No. 2011-4067 ES12-01

RE: Notice of Road Construction

MTO Contract 2011-4067 Stonecliffe

Hwy 17 -0.6 Km East of Bissett Creek Bridge Easterly For 12.5 Km to 18.7 Km West of Renfrew County Rd. 635

Please be advised that Smiths Construction, a Division of Miller Group Inc. will be performing road work on Hwy 17 between Bissett Creek Road and Stonecliffe for 12.5 Km effective May 28, 2012.

Schedule of Work:

Completion October 1, 2012

Type of Work:

Hot Mix Paving, Drainage and Structural Rehabilitation

Traffic Restrictions:

Traffic will be reduced to one lane between Monday and Friday,

and maintained with the use of a pilot truck and flaggers.

Should you have any questions please contact the undersigned.

Sincerely,

**Smiths Construction** 

A Division of Miller Group Inc.

n McGrath, C.E.T.

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May 15, 2012

Association of Municipalities of Ontario (AMO) Attn: Julia Shiu 200 University Avenue Suite 801 Toronto ON M5H 3C6



Dear Ms. Shiu:

For your information and records, the Council of the Township of Woolwich passed the following resolution on May 8, 2012:

WHEREAS the Chemtura Public Advisory Committee (CPAC) is a committee of Council charged to act on behalf of the Township of Woolwich in a public advisory capacity working to ensure that the Elmira Municipal aquifer is cleaned up (remediated) so that the water quality meets the Ontario Drinking Water Quality Standards by the year 2028;

AND WHEREAS CPAC is of the opinion that the 2028 water cleanup deadline is unattainable under the current remediation regime;

AND WHEREAS chemicals at the Chemtura Canada Co./CIE site have and continue to cause ongoing contamination of the Municipal aquifer and further more have the potential to migrate into the streams and rivers which lead into the Great Lakes Basin;

AND WHEREAS CPAC has agreed that since the pump and treat system on its own cannot ensure an appropriate level of protection to human health and the environment or complete the cleanup of the Elmira Municipal aquifer and Private Sector and Provincial funding is needed to ensure this source removal work will be completed;

NOW THEREFORE the number one priority needs to be placed on the removal of source areas of contamination, be it resolved that CPAC requests the Township of Woolwich Council request the Ministry of the Environment to conduct a review of the funding formula set out in the October 7, 1991 Settlement Agreement between the Ministry of the Environment and Chemtura Canada Co./CIE to allocate additional funding for CPAC to conduct associated studies which would include, but not be limited to, costs for consultants, legal counsel, other experts as required to assist CPAC in its duties to ensure that Chemtura Canada Co./CIE and the Province satisfy all of the requirements in ensuring that the source removal activities are completed in a timely manner;

AND FURTHERMORE be it resolved that CPAC requests the support of the Council of the Township of Woolwich in terms of asking the Province to immediately establish a trust fund that will be utilized if and when the 2028 deadline for cleanup of the aquifer is not met;

AND FURTHER THAT this resolution be forwarded to The Honourable Jim Bradley, Minister of the Environment; Gord Miller, Environmental Commissioner for Ontario; Harold Albrecht MP Kitchener-Conestoga; Mike Harris, MPP Kitchener-Conestoga; John Milloy, MPP Kitchener Centre; Dalton McGuinty, Premier of Ontario; The Region of Waterloo; and to all municipalities in Ontario for support.

If you have any further questions please contact the undersigned.

Sincerely,

Christine Broughton

Director of Council and Information Services / Clerk

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