



June 19, 2007

Mr. Mike Kedar,
President
Mobilexchange Ltd.
2025 Sheppard Ave East, Suite 3122,
Toronto, Ontario M2J 1V6
Sent by email: mike.kedar@mobilexchange.ca

Subject: LYA Report “Canadian and US Mobile Spectrum Holdings” submitted with your comments to Industry Canada in DGTP-002-07 concerning AWS

Dear Mr. Kedar,

It has come to our attention that the above mentioned LYA Report has been criticized for allegedly having forgotten Manitoba and Saskatchewan; see blog of Mark Goldberg: http://mhgoldberg.com/blog/2007_05_01_archive.html.

This misconception is apparently the result of reading the second line on page 4 of our report in isolation, where it is stated:

- All of the spectrum from Canadian awards is now held by Rogers, Bell and Telus

To clarify, readers need to note that it is set out on page 1 that the report is focused on “key urban markets” and these are identified on page 6 as being Toronto, Montreal, Vancouver, Ottawa-Gatineau, Calgary and Edmonton. The report makes no claim to have analyzed spectrum license holdings in every market in Canada.



There are other licensees in other geographic areas of Canada, notably MTS and Sasktel in Manitoba and Saskatchewan, respectively, and small telcos in rural and remote areas operating within their telco “footprint”. There are a few other licensees such as Ice Wireless (licenses covering the Territories), Harmony Mobile (licenses covering Northern Ontario, Northern Quebec, the Territories and Newfoundland), and Yamatech (licenses covering New Brunswick and Saskatchewan).

The Goldberg blog erroneously states: “Winnipeg is an example of what can happen when 4 licensed facilities-based carriers compete to serve a major metropolitan area.” Winnipeg cannot serve as such an example since there are three not four facilities-based mobile carriers covering Winnipeg. The three are MTS, Rogers and Telus. The analysis for license holdings covering Winnipeg would yield the same result as for other major markets across the country.

I trust this will serve to clarify the report. If you have any further questions or would like to discuss, please do not hesitate to contact me.

A handwritten signature in black ink, appearing to read 'Robert K. Yates'.

Robert K. Yates, B.A.Sc., M.Eng., MBA
Co-President