

CONVERGENCE WIRELESS NETWORKS INVESTS IN TANZANIAN ISP

35% stake in WIA Company Limited provides exposure to fast growing Tanzanian enterprise market; expands African footprint

16 October 2009 – Convergence Wireless Networks (Convergence Wireless), a joint venture between Convergence Partners and Comsol Wireless Solutions (Comsol), today announced that it has acquired a 35% stake in WIA Company Limited (WIA), a Tanzanian wireless connectivity provider focused on the enterprise market segment.

Convergence Wireless will take on an active role in the business by providing high-level support at a strategic and operational level but also facilitate access to resources across the wider Convergence Partners network to accelerate WIA's evolution into a fully fledged converged communications solutions provider. Comsol will act as WIA's technology partner bringing significant knowledge and expertise in the deployment of world-class wireless broadband networks.

Commenting on the deal, Arif Hussain, Convergence Wireless Chief Executive, said: ***"Tanzania is one of the fastest growing economies in East Africa contrasted by one of the lowest levels of Internet penetration standing at 1.3% compared to the African average of 6.7%*. As a result, the country is poised to benefit greatly from the increase in international connectivity spreading across the region, especially after the landing of our SEACOM cable. We are excited by the attractive opportunities for value-added services in Tanzania, especially corporate data networking and ISP services, where WIA has a strong presence, and look forward to working closely with them to develop their infrastructure and services offering."***

The Tanzanian telecommunications sector is fully liberalised and expected to be boosted by the development of a national backbone to its inland regions and bordering countries. In addition, WIA has secured capacity on the SEACOM submarine fibre optic network which will further drive down the costs of communications and services. WIA's growth strategy will focus on the upgrade of its core network around Dar es Salaam, the deployment of a new national WiMAX access network covering key business centres, as well as the broadening of its value-added solutions offering to include virtual private networks, managed network services and applications hosting for large enterprises across the country.

"WIA is on an exciting growth path and needed an equity partner capable of providing funding and expertise to drive the company's network expansion as well as operational know-how and technology partnerships to rapidly scale the business to take full advantage of the fast growing enterprise sector across Tanzania," commented Eric Mwenda, WIA CEO. ***"The combination offered by Convergence Wireless in terms of both investment capacity and technical expertise is unrivalled and we look forward to working with them to deliver world-class converged communications."***

This acquisition forms part of Convergence Wireless' strategy of constructing a portfolio of wireless broadband operators across the south and east African region which ties in with Convergence Partners' drive to diversify its portfolio of interests outside of South Africa and into established operations or greenfield infrastructure projects that improve access to communications, broadband services and technology offerings throughout Africa. The deal follows Convergence Wireless' recent acquisition of a joint 68.5% stake in Mozambique's INTRA Lda together with Internet Solutions. Similarly, INTRA Lda is an enterprise-facing wireless broadband access provider with attractive licensed spectrum in the WiMAX band.

Other investments in the Convergence Partners portfolio fitting this strategy to date include the SEACOM undersea cable and the New Dawn satellite under development through a joint venture with Intelsat.

"This is yet another major step in our effort to build a portfolio of investments into wireless broadband network operators across the southern and eastern African region and we will continue to leverage synergies across our portfolio of investments to drive the development of connectivity on the continent," concluded Hussain.

Africa's unique geopolitical landscape will continue to limit the efficient use of conventional telecommunications infrastructure. A blend of fibre, wireless and satellite technology is necessary to meet the particular African conditions and reach everywhere, linking the remotest regions to major centres via affordable communication infrastructures that are easy to install and maintain whilst meeting growing bandwidth requirements. Convergence Partners' strategy is to play an active role in the deployment and operations of such networks.

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ENQUIRIES

Convergence Partners/Convergence Wireless +27 11 550 5320
Arif Hussain +27 83 222 2325

WIA +255 22 212 9147
Eric Mwenda (CEO) +255 754 774 472

College Hill +27 11 447 3030
Frédéric Cornet +27 83 307 8286
Nandile Ngubentombi +27 82 815 1862

NOTES TO EDITOR

About Convergence Partners

Convergence Partners is a South African-based investment company focused on the telecommunications, media and technology (TMT) sector, predominantly in Africa and the Middle East.

Convergence Partners' investment philosophy is to take meaningful equity stakes in quality projects and businesses within its chosen sector and act as an active, strategic value-adding investor.

As a major part of its strategy, Convergence Partners focuses on greenfield projects that improve access to communications, broadband services and technology offerings throughout Africa and thereby contribute to enhanced standards of living.

Convergence Wireless Networks (Convergence Wireless) is a subsidiary of Convergence Partners which was formed to build a portfolio of investments into operators across Africa with access to licensed frequency spectrum for the purposes of deployment of high-quality wireless broadband networks.

For more information, visit www.convergencepartners.co.za

About WIA Company Limited

WIA is a young, fast-growing Tanzanian company, which specializes in the delivery of affordable wireless broadband connectivity solutions to public and private enterprises.

As an established licensed Tanzanian wireless broadband services provider, WIA currently services a broad customer base, including some high-profile parastatals, government departments, non-governmental organisations and large private companies. Its substantial spectrum allocation spans frequency bands which can be utilised for mobile wireless broadband access, dedicated access lines for larger corporate customers as well as microwave links for backbone transmission.

WIA was originally founded by another Tanzanian company – WIA Group – which is building a portfolio of investments in information technology and related services. In addition to its majority shareholding in WIA, WIA Group also holds 49% of Dimension Data (Tanzania), the Tanzanian subsidiary of Dimension Data Middle East and Africa, whose ultimate parent company is listed on the London Stock Exchange.

For more information, visit www.wiatz.com