

# MEDIA RELEASE

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BRACEBRIDGE/NORTH BAY- Muskoka.com has been selected to enhance broadband infrastructure and services to communities in the Western Muskoka and Southern Parry Sound area. Including a consortium of partners, the group was selected by Blue Sky Net's review committee as the successful bidder in a request for proposals for the infrastructure expansion project on March 6<sup>th</sup> 2006. Blue Sky Economic Growth Corporation (Blue Sky Net) is a Regional Technology Development Organization contracted by FedNor, the Northern Ontario regional development organization of Industry Canada, to enhance Broadband connectivity, awareness and applications in the Districts of Nipissing, Parry Sound, Sudbury, Manitoulin, Algoma and the western portion of the District Municipality of Muskoka.

As the successful bidder, Muskoka.com will be able to access funds through Blue Sky Net's application to FedNor to subsidize some of the costs of capital equipment to deliver broadband to currently un-served communities in the area. The exact funding for this project has not been determined and is dependant upon approval by FedNor.

"The process was extremely competitive," said Susan Church, General Manager of Blue Sky Economic Growth Corp. "We had many exceptional bids from across Canada for this project and what put Muskoka.com ahead was their intent to partner with several infrastructure and service providers to complete this project. Not only are we confident that this group will provide quality service to the Western Muskoka-Southern Parry Sound area, we also think local Internet Service Providers will be able to benefit from this project as well."

Although Church was happy with the selection of the winning bidder she also cautioned that this was only the first step in a relatively lengthy process. "Blue Sky Net has facilitated similar projects in the past and we know through experience that if we are committed to bringing broadband service to 80 percent of the population in this area it sure isn't going to be done over night." Blue Sky Net and Muskoka.com will collaborate on developing a business plan submission for FedNor. Detailed cash-flow forecasts, network designs and technology descriptions are all part of this submission.

Muskoka.com is the largest Muskoka-based Internet Service Provider, with over 3,000 customers on services including dial-up, DSL, cable, satellite and high-speed wireless. Established in 1994, it has a long track record for reliable service and innovative solutions, such as being the first vendor to offer wireless broadband service to customers in remote areas that could not obtain cable or DSL service.

“We are very pleased to be able to extend the reach of our network to offer high-speed Internet service to rural residents of Western-Muskoka and Southern-Parry Sound,” said George Botko, President of Muskoka.com Inc.

“This is an exciting opportunity for residents and businesses in the area who have been waiting for high-speed service to be available,” added Kevin Boyes, who will be General Manager of the new company to be formed which will own and operate the high-speed network. “Not only will the new service be affordable, it will be easily attainable via the customer’s Internet Service Provider of choice. We look forward to working closely with Blue Sky Net to ensure that the service is made available to customers as quickly as possible and that the service is very reliable.”

The project schedule calls for the start of network construction in the summer of 2006 and will continue over the following 12 months.

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