

NovAtel Reports Profit for the First Quarter 2002

(Calgary, Alberta, Canada, April 29, 2002)— NovAtel Inc. (NASDAQ: NGPS), a global positioning systems manufacturer, today announced results for the first quarter ended March 30, 2002.

Revenues in the first quarter 2002 were CDN \$7.3 million (US \$4.6 million) compared to CDN \$7.0 million (US \$4.4 million) in the same period a year ago. The Company is reporting net income for the first quarter 2002 of CDN \$73,000 (US \$46,000) or CDN \$0.01 (US \$0.01) per share compared with a net loss of CDN \$296,000 (US \$188,000) or CDN \$(0.04) (US \$(0.03)) per share in the same period a year ago.

“I’m very pleased to announce our third consecutive profitable quarter, as we continue to execute our strategic and operational plans,” said Jon Ladd, President and CEO. “We accomplished this despite the challenging conditions currently facing our industry.”

“Our overall revenue growth of 4% does not reflect the large increase in revenues from our Special Applications and Aerospace/Defense businesses, which increased by 37% and 13% respectively,” continued Ladd. “In our Special Applications business, we continue to see strong demand for our family of GPS receivers and antennas. The major contributor to our Aerospace/Defense revenue in the current quarter was the successful completion of another milestone of the EGNOS program.”

“In our third business, Geomatics, despite a revenue decline relative to the first quarter a year ago, we have started to see improvement in this business as evidenced by a 6% increase in revenue over the fourth quarter 2001. Recently, a number of initiatives were undertaken at Point, our joint venture with Sokkia Co., Ltd., to refocus its efforts on sales and distribution.”

“On February 28, 2002, we announced our strategic cooperation agreement with Leica Geosystems. This relationship will have a modest contribution to our revenue over the next 16 months as we develop new core positioning technology for Leica Geosystems. However, once we start delivering product, we expect this relationship to contribute 15 to 20% of our annualized revenue, starting in the latter part of 2003,” concluded Ladd.

The Company will have a conference call this afternoon at 4:30 p.m. E.T. Participants may access the NovAtel Inc. conference call by dialing 1-800-383-9157 (North America) or 416-641-6653 (International). This call is being webcast by CCBN and can be accessed at NovAtel’s web site at www.novatel.ca.

The webcast is also being distributed over CCBN's Investor Distribution Network to both institutional and individual investors. Individual investors can listen to the call through CCBN's individual investor center at www.companyboardroom.com or by visiting any of the investor sites in CCBN's Individual Investor Network such as America Online's Personal Finance Channel, Fidelity Investments® (Fidelity.com) and others. Institutional investors can access the call via CCBN's password-protected event management site, StreetEvents (www.streetevents.com).

A replay of the conference call will be available until May 6, 2002 by dialing 1-800-558-5253 and entering reservation number 20554314, or until July 17, 2002 at the web addresses noted above.

NovAtel Inc. designs, markets and supports a broad range of products that determine precise geographic locations using the Global Positioning System (GPS) and is the principal supplier of reference receivers to WAAS ground networks around the world. NovAtel's GPS products are used principally for applications in precision markets such as the surveying, geographic information systems, aviation, marine, mining and machine control, agriculture and precise timing markets. For further information please visit our website at www.novatel.com.

Certain statements in this news release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, or developments in the Company's industry, to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, operating results of subsidiaries and joint ventures, establishing and maintaining effective distribution channels, certification and market acceptance of the Company's new products, impact and timing of large orders, pricing pressures in the market and other competitive factors, maintaining technological leadership, timing of revenue recognition in connection with certain contracts, the ability to maintain supply of products from subcontract manufacturers, the procurement of components to build products, and the impact of industry consolidations, together with the other risks and uncertainties described in public filings.

NOVATEL INC.

CONSOLIDATED BALANCE SHEETS
(in Canadian \$ thousands)

	March 30, 2002	December 31, 2001
ASSETS		
Current assets:		
Cash and short term investments.....	\$ 5,777	\$ 4,794
Accounts receivable	5,730	6,050
Related party receivables	1,049	665
Related party notes receivable	1,615	1,595
Inventories.....	6,551	6,562
Prepaid expenses and deposits.....	<u>352</u>	<u>286</u>
Total current assets	21,074	19,952
Capital assets	2,579	2,854
Intangible assets	2,317	2,487
Deferred development costs.....	<u>2,513</u>	<u>2,528</u>
Total assets	<u>\$ 28,483</u>	<u>\$ 27,821</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:		
Accounts payable and accrued liabilities	\$ 4,065	\$ 4,469
Related party payables	956	418
Notes payable	1,983	1,964
Deferred revenue.....	705	202
Provision for future warranty costs	329	285
Capital lease obligation – current portion.....	<u>335</u>	<u>330</u>
Total current liabilities	8,373	7,668
Deferred gain on sale/leaseback of capital assets.....	782	814
Capital lease obligation – long-term portion.....	<u>168</u>	<u>253</u>
Total liabilities	<u>9,323</u>	<u>8,735</u>
Shareholders' equity:		
Capital stock	35,597	35,596
Contributed surplus	25	25
Deficit	<u>(16,462)</u>	<u>(16,535)</u>
Total shareholders' equity.....	<u>19,160</u>	<u>19,086</u>
Total liabilities and shareholders' equity	<u>\$ 28,483</u>	<u>\$ 27,821</u>

NOVATEL INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in Canadian \$ thousands, except per share data)

	<u>Three months ended</u>	
	<u>March 30,</u>	<u>March 31,</u>
	<u>2002</u>	<u>2001</u>
Revenues	\$ 7,294	\$ 7,000
Cost of sales	<u>3,602</u>	<u>3,717</u>
Gross profit	<u>3,692</u>	<u>3,283</u>
Operating expenses:		
Research and development	1,565	1,881
Selling and marketing	803	929
General and administration.....	<u>1,029</u>	<u>892</u>
Total operating expenses	<u>3,397</u>	<u>3,702</u>
Operating income (loss).....	295	(419)
Interest income	10	51
Other income (expense).....	<u>(223)</u>	<u>84</u>
Income (loss) from continuing operations before income taxes	82	(284)
Provision for income taxes	<u>9</u>	<u>12</u>
Net income (loss).....	<u>\$ 73</u>	<u>\$ (296)</u>
Net income (loss) per share (basic)	<u>\$ 0.01</u>	<u>\$ (0.04)</u>
Weighted average shares outstanding (basic)	<u>7,684</u>	<u>7,689</u>
Net income (loss) per share (diluted)	<u>\$ 0.01</u>	<u>\$ (0.04)</u>
Weighted average shares outstanding (diluted)	<u>7,859</u>	<u>7,738</u>