

**Company Overview**

NovAtel Inc. designs, markets, and supports a broad range of products that determine precise geographic locations using the Global Positioning System (GPS). The system is comprised of 24 earth orbiting satellites that transmit radio signals 24 hours a day worldwide. GPS receivers calculate the distance from the satellites to the receiver and then use a triangulation technique to determine exact geographical locations. GPS is used for a variety of purposes, including navigating, tracking, mapping, and conducting geographical surveys.

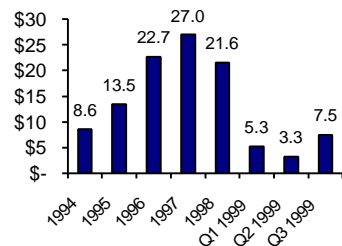
NovAtel focuses on high-end GPS applications such as surveying, geographic information systems (GIS), aviation, marine, mining and machine control with technologically innovative products that provide high levels of accuracy, real-time positioning and reliability. According to industry sources, these market segments represent an estimated US\$1.3B in 1997 and are expected to grow to approximately US\$2.0 billion in 2000. NovAtel is not active in low-end GPS applications such as vehicle navigation and the consumer/cellular market.

**Investor Information (at 12/13/99)**

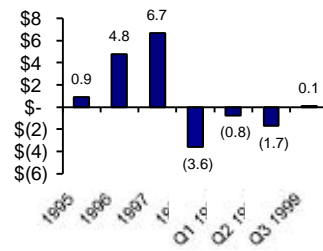
Nasdaq:	NGPS	CAGR 1993-98	
Price:	US\$2.50	Sales:	35%
Market capitalization:	US\$19.2 million	52-week price range:	US\$1.25 - US\$2.625
Shares outstanding:	7,674,040		

**Financial Highlights**

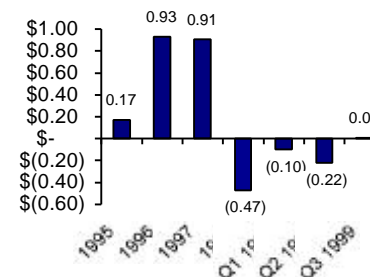
**Revenue**  
CDN\$ Millions



**Net Income (Loss) From Continuing Operations**  
CDN\$ Millions



**Net Income (Loss) From Continuing Operations - Per Share (basic)**  
CDN\$



Operations

Statement of

Balance Sheet

## Recent Developments

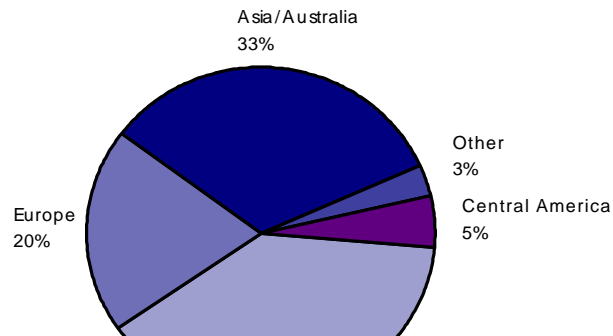
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- ◆ In August Sokkia and NovAtel launched a new jointly owned company, Point, Inc., that combines Sokkia's extensive worldwide sales and distribution with NovAtel's world class GPS engineering to develop advanced measurement solutions for the fields of surveying, mapping, Geographical Information Systems (GIS), construction and machine control. NovAtel receives the benefit of sales of GPS product to Point and its proportionate share of sales made by Point into the Sokkia distribution system. NovAtel will also benefit, commencing the first quarter 2000, from a reduction in operating expenses as approximately 25 people were transferred to Point. In November, Sokkia announced the release of four new survey products that had been developed by Point, Inc.:
  - **Radian** – a high accuracy GPS comprehensive surveying solution
  - **Midas GIS** – Sokkia's new pen-based mapping and GIS field solution
  - **Axis** – integration of a GPS/beacon receiver with an optional pen-based computer software package to accomplish real-time mapping and data collection
  - **SDR software** – a new version of SDR application software, offering increased functionality and greater flexibility to users of Sokkia's SDR33 Electronic Field Book
- ◆ The Company's technological innovation continues with the launch of its latest generation receiver—the OEM4 –in September. This is the smallest GPS dual frequency receiver available on the market today that can track 12 satellites and deliver two centimeter real time accuracy while consuming less than three watts of power. Beta units are currently available and full market release is expected for Q1 2000.
- ◆ In August the Company announced that it had been awarded an initial contract to supply wide area reference receivers for the European Geo-stationary Overlay System (EGNOS). This contract adds to the Company's success with the WAAS receiver program currently active in the United States and Japan. Subject to a successful Preliminary Design Review, currently scheduled for early 2000, NovAtel is expecting to receive a full contract to complete software proving and qualification activities and deliver 18 EGNOS receiver systems.
- ◆ In September, the Company delivered 13 reference receivers, worth more than US \$1 million, to the MTSAT Satellite-based Augmentation System (MSAS) in Japan. This shipment supports NovAtel's key role in the MSAS and other wide area augmentation systems.
- ◆ In October, NovAtel supplied a WAAS receiver to NAV CANADA, which is responsible for providing air navigation services in Canada. The receiver will be used in connection with initial testing for the Canadian WAAS program.

## Distribution

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NovAtel sells its products through multiple channels – direct, dealers and value-added resellers – and in over 35 countries worldwide.



## Key Strategies

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- ◆ Build OEM business by developing new and innovative products
- ◆ Continue to build presence in end user markets
- ◆ Expand international distribution network
- ◆ Maintain technological leadership
- ◆ Lead industry in customer support and service
- ◆ Develop significant opportunities for aviation

## Investor Contact

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