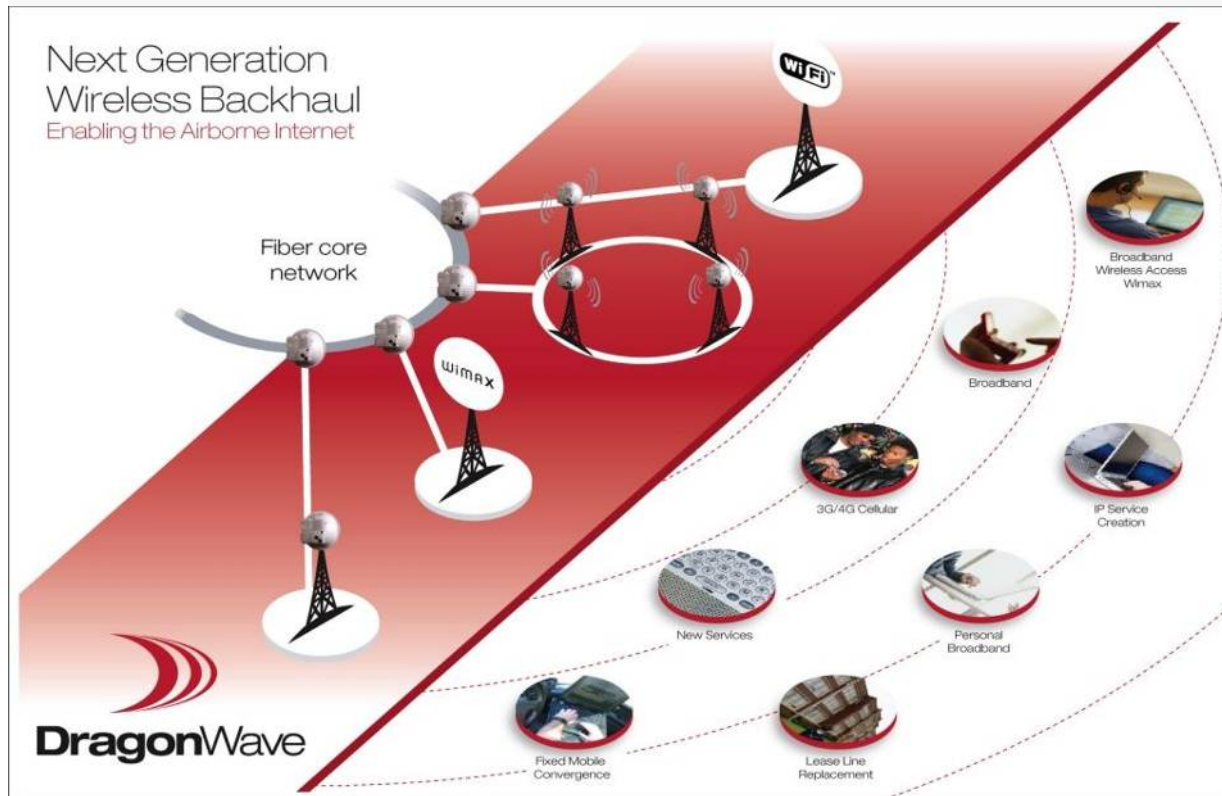


AGM – July 17, 2008

Business Highlights & Market Update

Peter Allen – President & CEO



DragonWave

Wireless Broadband Ethernet



Legal Disclaimer

- This presentation contains certain forward-looking information, including expectations of future business. This information is based on the company's current expectations and assumptions that are subject to a variety of risks and uncertainties that are difficult to predict and that may be beyond DragonWave's control. Actual results could differ materially from those expressed in any forward-looking statements due to factors such as customer demand and timing of purchasing decisions, increased levels of competition, technological changes and the successful development of new products, dependence on third-party manufacturers and suppliers, risks relating to intellectual property infringement claims, and other risks and factors identified in DragonWave's public filings with regulatory authorities. DragonWave assumes no obligation to update these forward-looking statements as a result of new information or future events.



Strategic Vectors

- › **Revenue Growth**
- › **New Customer Capture**
- › **Broaden International Reach**
- › **Margin Improvement**



Key Strategies – Update on Progress

Revenues

	Revenue	YOY
FY 2007	\$24.2M	24%
Q1 2008	\$8.6M	38%
Q2 2008	\$9.9M	91%
Q3 2008	\$11.5M	139%
Q4 2008	\$10.3M	31%
FY 2008	\$40.4M	67%

New Customers

FY2008 – 50 New Customers:

- NextWave (NA)
- Prosystem (France)
- COTA (Spain)
- Orascom – Mobilink (ME)
- Business Only Broadband (NA)

International Expansion

	NA	ROW
FY 2006	88%	12%
FY 2007	80%	20%
FY 2008	70%	30%

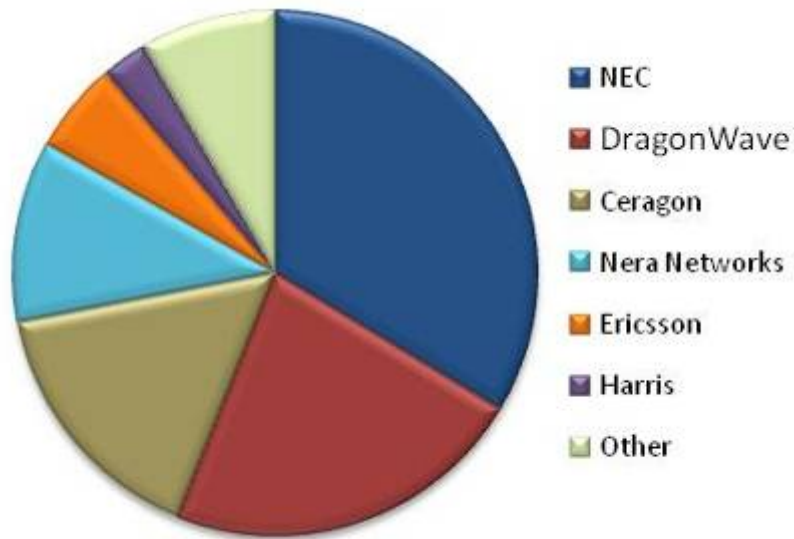
Margin Improvement

	GM
FY 2007	33%
Q1 2008	35%
Q2 2008	37%
Q3 2008	39%
Q4 2008	41%
FY 2008	38%



US Microwave Deployments (FCC database as of Feb 2008)

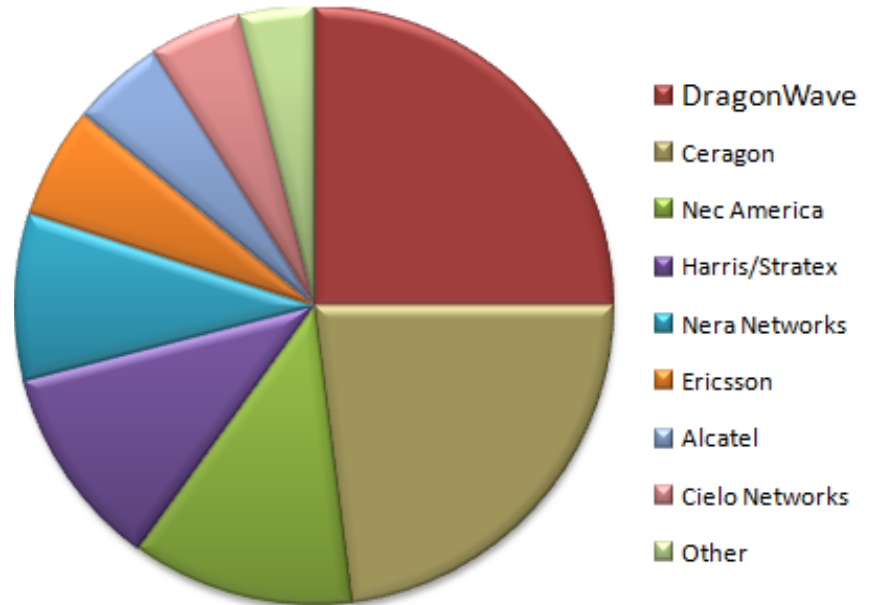
2006 – 18 & 23 GHz US Microwave Deployments



In 2006:

- ✓ DragonWave is #2 in combined 18 & 23 GHz Links (21% market share)
- ✓ Introduce 11GHz variant to the market in July, 2006
- ✓ DragonWave is the leader in 24 GHz U/L

2007 – 11, 18 & 23 GHz US Microwave Deployments



In 2007:

- ✓ DragonWave is #1 in combined 11, 18 & 23 GHz Links (25% market share)
- ✓ DragonWave increases market share position in 18 & 23 GHz to 32%
- ✓ DragonWave remains the leader in 24 GHz U/L



New Carrier-Grade Products



➤ **Horizon Compact**

- All outdoor unit in a single, native Gigabit Ethernet microwave transmission system
- 800 Mbps full duplex capacity



➤ **Horizon Duo**

- Highest Carrier-Grade Capacity
- 1.6 Gbps Wireless Platform
- Lowest Cost-per-Mbit
- Upgrade path for AirPair with 4X capacity increase

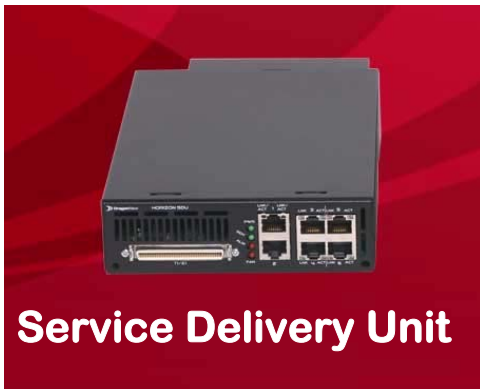


New Carrier-Grade Products



➤ AirPair Unite

- AirPair with Pseudowire
- Converges Ethernet and Time Division Multiplexing (TDM) traffic across a single wireless, Internet Protocol (IP) stream



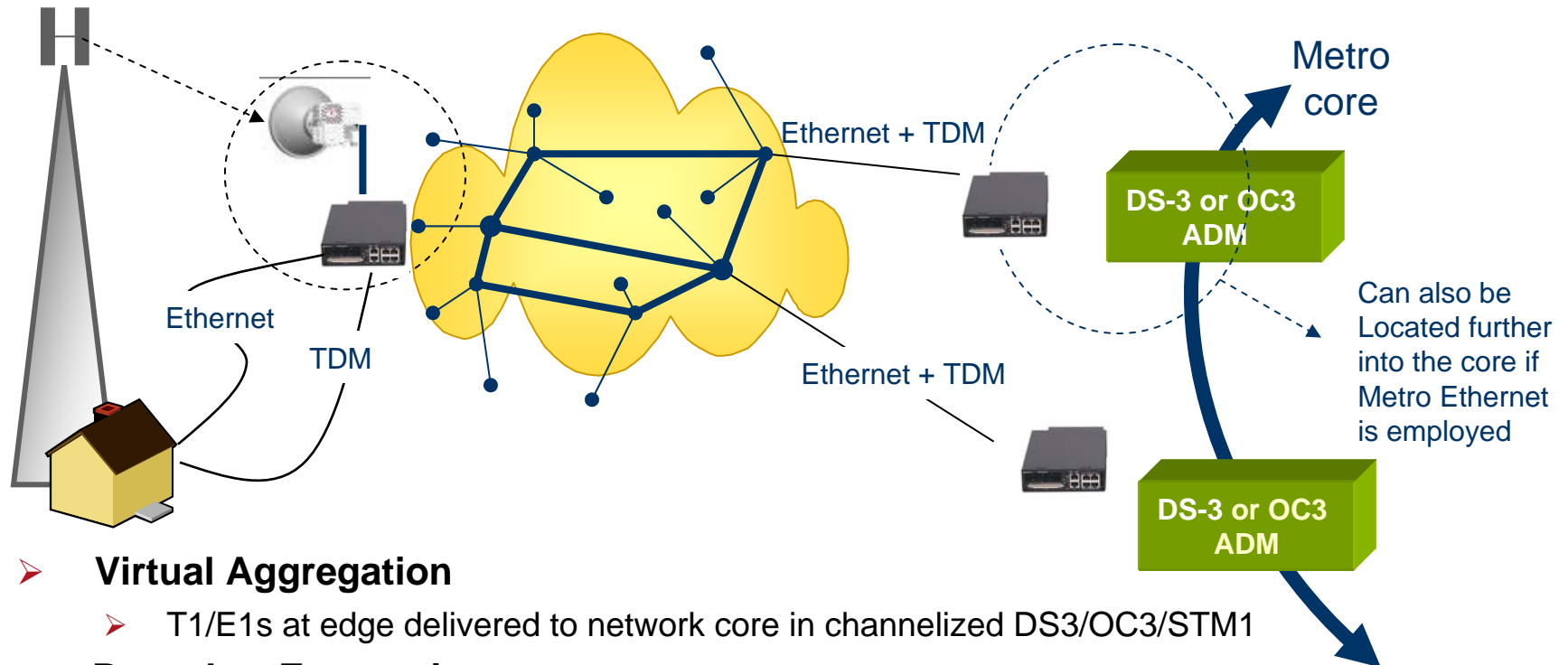
➤ Service Delivery Unit

- TDM to Packet migration
- Pseudowire Product Line



Pseudowire in a Mobile Backhaul Network

Wireless Ethernet Backhaul MESH



- **Virtual Aggregation**
 - T1/E1s at edge delivered to network core in channelized DS3/OC3/STM1
- **Pass thru Economics**
 - Only local TDM traffic needs to be handled at any given site
- **Future Proof**
 - Only edge of network changes as traffic mix changes



New Clearwire

Sprint Xohm

+

Clearwire

+

\$3.2B of New Funding

(Intel, Comcast, Google, Time Warner, Brighthouse)

=

New Clearwire



New Clearwire

- **Subject to Regulatory Approval**
 - Transaction expected to close by Dec 2008
- **Clearwire today operates in 50 markets worldwide covering 16.5 MM Pops**
- **New Clearwire coverage targets**
 - 2009 60 – 80MM POPs
 - 2010 120 – 140MM POPs
 - 2011 140 – 160MM POPs
- **Clearwire claim a 2+ year lead over LTE**



Sprint Announcement

- **DragonWave selected by Sprint for XOHM**
 - Selected for initial launch markets
 - Baltimore, Washington and Chicago
 - Horizon compact and Horizon Duo will be deployed

- **DragonWave now well positioned at Clearwire and Sprint**



International Momentum

- › **Europe**
 - WiMAX Operators
 - Spectrum Licensing
 - Vodafone

- › **Middle East**
 - Pakistan
 - Saudi Arabia
 - UAE
 - Jordan

- › **CALA**
 - Channel Development
 - 2/3 Key Targets



DragonWave in 2009 and beyond

- **North America** – Focused on gaining market share
 - Anticipate Clearwire will be a strong thrust for the delivery of high capacity wireless access systems in the US
- **Outside North America** – Focused upon the three thrusts:
 - Eastern Europe, the Middle East and CALA
- **Overall Pipeline/RFP Activity is strong. Visibility is challenging**
 - The conversion timescales – are uncertain.
- **FY2008**
 - Grew by 67% last year and gained customers.
- **DragonWave is a stronger business than a year ago:**
 - North American market share
 - Significantly expanded international reach
 - Adequately financed
- **Backhaul** – More widely understood to be critical to the overall business case of WiMAX, 3G and LTE.



Summary

- › Implementing key strategies successfully
- › Backhaul remains a critical area
- › Customer traction strengthening
- › Best in Breed leadership Company



Q & A



DragonWave

Wireless Broadband Ethernet