

## **IROC SYSTEMS CORP. AND SAT-TEL CORPORATION SIGN AMALGAMATION AGREEMENT**

Red Deer, AB / December 17, 2002 / CNW / IROC Systems Corp. ("IROC") (TSXV: IRC) and SAT-TEL Corporation ("SAT-TEL") (TSXV: SAJ) announced that IROC and SAT-TEL have executed an agreement for the amalgamation of the two companies pursuant to the provisions of the *Canada Business Corporations Act*. The amalgamation will be completed on the basis that each IROC shareholder will receive one (1) common share in the resulting company from the amalgamation ("AMALCO") for each one (1) IROC common share held, and each SAT-TEL shareholder will receive one (1) common share of AMALCO for each six (6) SAT-TEL common shares held. Upon the completion of the amalgamation there will be 12,579,105 common shares of AMALCO issued and outstanding. AMALCO will also assume the obligations for the 435,000 directors, officers and key employees' stock options currently outstanding from IROC. All options, warrants and other securities convertible into common shares of SAT-TEL will be cancelled prior to the amalgamation. The initial Board of Directors of AMALCO will be Thomas M. Alford, Brian D. Neeland and Stuart C. Watson. The President, Chief Executive Officer and Chief Financial Officer of AMALCO will be Thomas M. Alford. AMALCO will, subject to TSX Venture Exchange ("TSXV") approval adopt the name "IROC Systems Corp." AMALCO will continue with the business and operations of each of IROC and SAT-TEL.

The share exchange ratio for each Company pursuant to the amalgamation was calculated by the management and agreed to by the Board of Directors of each Company. No further valuation or fairness opinion from a third party will be sought by either Company.

The amalgamation is subject to the prior receipt of the requisite shareholder approvals for each of IROC and SAT-TEL, and the acceptance by the TSXV of the amalgamation and related items. On December 17, 2002, IROC and SAT-TEL filed a joint application with the TSXV seeking the acceptance by the TSXV of the amalgamation and the related items. In addition, SAT-TEL and IROC have tentatively scheduled a Joint Shareholders Meeting for January 30, 2003 in Red Deer, Alberta to seek shareholder approval for the amalgamation. Subject to the receipt of the required shareholder approvals and the acceptance of the TSXV, the amalgamation is expected to close on or about January 31, 2003.

Thomas M. Alford, President, CEO & CFO of IROC stated "Management of IROC feels that the amalgamation with SAT-TEL will be beneficial to IROC as it will result in the solidification of the ownership of the S.M.A.R.T. technology in one corporate entity. This will allow AMALCO to provide an enhanced level of customer service with respect to the S.M.A.R.T. technology and services, and will provide AMALCO with a solid foundation for the continued development of the technology. Also, the amalgamation will allow IROC and SAT-TEL to take advantage of certain opportunities which will more likely be achieved if the Companies go forward as one corporate entity". Trevor Diamond, COO and CTO of SAT-TEL stated, "We are very excited with the opportunity to combine the business operations of SAT-TEL with IROC. Management of SAT-TEL feels that by consolidating the ownership in the S.M.A.R.T. technology and harnessing the efforts of both IROC and SAT-TEL under a single entity to further the research, development and deployment of the technology, AMALCO will have greater opportunity to surpass the current and future goals of either original Company. We are also looking forward to working together with the management team of IROC which has extensive experience in, and access to, the oil and gas marketplace."

### **About IROC Systems Corp.:**

IROC Systems Corp. is an Alberta based, fully integrated safety services company that has provided downwind air quality monitoring and related safety services to the energy sector since 1984. IROC has developed key technologies to address remote air quality monitoring, and has recently expanded operations to provide the fully safety services for drilling completion, production and plant shutdown/turnaround projects for its clients.

**About SAT-TEL Corporation:**

SAT-TEL Corporation specializes in the integration of wireless and satellite technologies to deliver connectivity solutions for specialized markets. SAT-TEL's wireless technologies deliver custom solution and innovative products to meet industry specific applications. SAT-TEL offers real time data reporting and mission critical monitoring to remote and rural field locations and compression and router services to provide high speed internet access in areas that have no land based alternative, especially in marine applications.

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**FOR FURTHER INFORMATION, PLEASE CONTACT:**

**IROC Systems Corp. Tom Alford, President, C.E.O. and C.F.O.**

Telephone: (403) 346- 9710  
Fax: (403) 346- 9770  
E-mail: [alfordt@iroccorp.com](mailto:alfordt@iroccorp.com)

**SAT-TEL Corporation Trevor Diamond, C.O.O. and C.T.O.**

Telephone: (403) 342- 0466  
Fax: (403) 346- 4160  
E-mail: [trevord@sattelcorp.com](mailto:trevord@sattelcorp.com)

**COMPLETION OF THE AMALGAMATION IS SUBJECT TO A NUMBER OF CONDITIONS, INCLUDING BUT NOT LIMITED TO TSX VENTURE EXCHANGE ACCEPTANCE AND SHAREHOLDER APPROVAL. THE AMALGAMATION CANNOT CLOSE UNTIL THE REQUIRED SHAREHOLDER APPROVAL IS OBTAINED. THERE COULD BE NO ASSURANCE THAT THE AMALGAMATION WILL BE COMPLETED AS PROPOSED OR AT ALL.**

**INVESTORS ARE CAUTIONED THAT, EXCEPT AS DISCLOSED IN THE JOINT INFORMATION CIRCULAR TO BE PREPARED IN CONNECTION WITH THE AMALGAMATION, ANY INFORMATION RELEASED OR RECEIVED WITH RESPECT TO THE AMALGAMATION MAY NOT BE ACCURATE OR COMPLETE AND SHOULD NOT BE RELIED UPON. TRADING IN THE SECURITIES OF EITHER IROC SYSTEMS CORP. OR SAT-TEL CORPORATION SHOULD BE CONSIDERED HIGHLY SPECULATIVE.**

**THE TSX VENTURE EXCHANGE HAS IN NO WAY PASSED ON THE MERITS OF THE PROPOSED AMALGAMATION AND HAS NEITHER APPROVED NOR DISAPPROVED THE CONTENTS OF THIS PRESS RELEASE.**