

Wavenet Technology To Be Used In Lipman Wireless Point Of Sale Terminals

Initial order worth US\$500,000

Perth, Western Australia (25 Feb 2004) - Wavenet International Ltd (ASX: WAL), one of Australia's leading publicly listed wireless technology companies, announced today it has signed a long term agreement to supply its latest BM3 wireless modems to Lipman Electronic Engineering Ltd (Nasdaq, TASE: LPMA), a leading provider of integrated portable wireless funds transfer (EFT) and point-of-sale (POS) terminals. Deliveries of wireless modems is expected to commence in April for use in Lipman's NURIT family of wireless EFT/POS terminals. The initial order placed is valued at US\$500,000.

"Wavenet's wireless modem technology is state-of-the-art and is an integral element of our wireless terminals," said Lipman's VP Operations Roy Neuman. "The integration of wireless technology into our EFT and POS solutions enables users to conduct transactions in a mobile environment without the constraints of wires. We can perform debit and credit card authorizations over nationwide networks in the United States, providing a faster, more flexible and cost-effective service for remote or temporary locations."

"The demand for wireless point-of-sale terminals is definitely growing and becoming an established alternative to fixed landline POS terminals," said John Thompson, Wavenet's Managing Director. "We are seeing a trend in the US towards cashless transactions and mobile commerce which are ideally suited to our technology. Lipman is a major player in the market and our relationship with them is expected to provide a consistent order stream going forward. According to forecasts shared with us, we can expect similar sized orders to the first each quarter, all going well. The Agreement is also significant for Wavenet as it shows another group making the decision to move from trials to mass deployments. We expect to see more doing so over the next few months."

The BM3 is Wavenet's latest wireless modem developed as part of the company's R&D Start grant with AusIndustry. With the aid of this program Wavenet continues to conduct R&D into more adaptable wireless architectures, capable of working over a number of networks. The technology will be commercialized into a number of wireless modules like the BM3 for use in machine-to-machine communication solutions.

About Wavenet

Wavenet is a leading edge telecommunications company that develops innovative wireless devices and modules for fixed, mobile and handheld computing. The Company is based in Perth, Western Australia. For further information about Wavenet visit our website at www.wavenet.com.au.

About Lipman

Lipman Electronic Engineering Ltd. (Nasdaq, TASE: LPMA) develops, manufactures and markets a variety of handheld, wireless and landline POS terminals, electronic cash registers, retail ATM units, PIN pads and smart card readers, all under the NURIT® brand name. In addition, Lipman develops technologically advanced software platforms that offer

comprehensive and customized transaction processing solutions for its customers. to the field of e-payment. Lipman's corporate headquarters and R&D facilities are located in Israel. Lipman also maintains subsidiaries in the US, Turkey, China, Far East, Latin America, Spain, Russia, Italy, Canada and Latin America.

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