



12 months of free* internet on India's best-selling tablets

DataWind starts retail roll-out with UniverCell, and on BSNL's network

Bangalore, 17 July 2014: DataWind Inc. ("DataWind" or the "Company") (TSX: DW), maker of Aakash and UbiSlate tablets, and a leading provider of wireless web access products and services in India, today announced a retail partnership with UniverCell, the largest electronics retail player in Southern India, to market the Company's UbiSlate tablets. The Company also announced that it will provide with the purchase of its UbiSlate 7Cz and UbiSlate 3G7 tablet PCs, 12 months of free unlimited internet browsing*with Bharat Sanchar Nigam Ltd. ("BSNL"), the network provider with the largest geographic reach in Southern India.

Until now, DataWind products were primarily available to the customer through ecommerce and direct to consumer channels such as TV home-shopping. The Company will now offer its entire product range of UbiSlate Tablet PCs and PocketSurfer Smartphones available off-the-shelf at UniverCell's more than 500 retail outlets spread across southern India.

Moving a step closer to its mission of bridging the digital divide for the digitally disenfranchised, DataWind continues its partnership with BSNL to provide bundled internet access on the Company's UbiSlate tablets.

DataWind's breakthrough web delivery platform, offered on the UbiSurfer browser delivers a fast web experience on even congested or rural 2.5G mobile networks. Covered by over 18 U.S. and international patents, the Company's proprietary acceleration technology reduces bandwidth consumption by 20 times on average for basic internet browsing, while delivering a faster and more broadly accessible internet access.

Speaking on the occasion Suneet Singh Tuli, CEO DataWind said, "We are delighted to find great strength in UniverCell as our retail partners and we view this association as a first significant step towards making our products available across the country. This relationship significantly expands our distribution by adding a significant player from the retail channel to support our tablet sales.

"Association with BSNL for bundled internet service to our customers is a major breakthrough. We're happy to see that our partner in connectivity – BSNL, shares our aspiration of ubiquitous connectivity for all. With affordable technology and free internet, we are now one step closer in our quest of bridging the digital divide. This unique partnership validates our technology and belief in low cost internet connectivity sans barriers", said Tuli.

Present on the occasion, **Mr. Sathish Babu, Founder of UniverCell Telecommunications** said, ""Tablet has been a focus area for us. The DataWind proposition of affordable tablets bundled with data is sure to be a super hit. UniverCell is happy to partner with DataWind in making India, especially children, smarter. Backed by our expansive store network and value added services like easy payment options meant for the

middle class, techspert service – where we provide post purchase set up support to the customer, we are confident of breaking all records and reaching new milestones in tablet sales.””

Mr RK Mishra, Chief General Manager, BSNL, Karnataka Circle, said, “We’re mandated with bringing the internet to the far reaches of this country. DataWind’s technology and UniverCell’s retail reach will help bring internet penetration to the next stage. We are pleased to partner with Datawind who have created the category of ‘low cost tablets’ in India. In fact it would be our endeavor to provide internet services uninterrupted to all the users.” He also highlighted some key elements which are central to this alliance and which will help the business interest of BSNL to expand its 3G customer base & Promote BSNL services.

About Datawind:

DataWind is a leading developer of wireless web access products and services, and among the largest suppliers of tablet computers in India. Based on several international patents, DataWind’s breakthrough technologies solve the bandwidth limitations of cellular networks by accelerating content delivery by factors of 10x to 30x. Armed with this technological strength, the company is committed to enabling the internet for the next three billion.

The company is credited with the developing the world’s lowest cost tablet computers and has received recognition on several prestigious platforms including – the United Nation at the launch of Aakash2 by UN Secretary General, Ban Ki Moon; as a ‘classroom revolutionary’ by the Forbes Magazine’s 2012 Impact 15 List; and among the world’s 50 Smartest Companies by the MIT Technology Review. DataWind is working with several governments and not-for-profit organizations to help them achieve their goals of elevating the quality of education and bridging the digital divide.

Headquartered in Mississauga, Ontario, Canada, DataWind also has offices in London, Montreal, Amritsar and New Delhi. More information on the company is available on: www.datawind.com

About UniverCell Telecommunications

UniverCell is the first mobile retail store that marked the organized mobile retailing sector in India. The first outlet was founded in 1997 by Mr. D.SathishBabu after he studied the behaviour of mobile phone consumers who found it difficult to access the entire range of products available to them. UniverCell was formed with an aim to enrich the customer by understanding his needs and recommending comprehensive mobility solutions. The organization's vision is to be 'The Most Admired Retailer' for customers, employees and partners. UniverCell provides consumers with an ambience that allows them to make intelligent and informed shopping decisions in a store that provides great comfort and a high degree of service. Over the years it has transformed into one of the leading retailing organizations in Tamil Nadu and has its sights on replicating its success pan India. There are more than 450 UniverCell outlets across Tamil Nadu, Andhra Pradesh, Karnataka, Kerala, Telengana and Maharashtra. UniverCell showcases mobile phones, tablets and mobile phone accessories from among the best and leading brands in the world and also runs an operator products division that provides data cards, data plans and phone recharge services.

About BSNL

Bharat Sanchar Nigam Ltd. was incorporated on Year 2000. It is one of the largest & leading public sector units providing comprehensive range of telecom services in India.

BSNL has installed Quality Telecom Network in the country & now focusing on improving it, expanding the network, introducing new telecom services with ICT applications not only in towns but also in remote villages & winning customer's confidence. BSNL is the only service provider, making focused efforts & planned initiatives to bridge the rural-urban digital divide in ICT sector. BSNL serves its customers with a wide bouquet of telecom services namely Wireline, CDMA mobile, GSM 2G/3G mobile, , Broadband, Carrier service, MPLS-VPN, VSAT, VoIP, IN Services, FTTH.

BSNL has started moving towards NGN platform in big way. To facilitate high speed broadband in remote villages we are carrying out prestigious NOFN (National Optical Fibre Network) project of Government of India.. In wireless data segment BSNL has registered Triple digit growth in last FY 13-14. The unique points of BSNL data services are "All India free data roaming" & "All customers are enable for 3G access & speed "

Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking information includes information with respect to our goals, beliefs, plans, expectations, anticipations, estimates and intentions. Forward-looking information is identified by the use of terms and phrases such as "may," "would," "should," "could," "expect," "intend," "estimate," "anticipate," "plan," "foresee," "believe," and "continue," or the negative of these terms and similar terminology, including references to assumptions. Please note, however, that not all forward-looking information contains these terms and phrases. Forward-looking information is based upon a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond our control. These risks and uncertainties could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the risk factors identified in the Company's prospectus dated June 27, 2014, which is available on the SEDAR website at www.sedar.com. Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

No securities regulatory authority has either approved or disapproved the contents of this press release.

SUMMARY:

DataWind partners BSNL and UniverCell

- UniverCell to make DataWind products available in 500+ stores
- Partnership with BSNL utilizes DataWind's breakthrough web delivery platform to make free internet a reality
- Offers 12 month free unlimited* internet browsing with UbiSlate 7Cz and UbiSlate 3G7 tablet PCs

DataWind makes its retail debut in Southern India with UniverCell

- Joins hands with BSNL to offer 12 months unlimited* free internet browsing with UbiSlate 7Cz and UbiSlate 3G7 tablet PCs

*Unlimited internet browsing is limited to the UbiSurfer browser. Internet access on the UbiSurfer browser is provided free to the consumer by DataWind through a bundled plan from BSNL. If the UbiSurfer browser is not utilized, free or bundled access to other applications is limited to 250MB/month.