

SUBNET Solutions Inc. & Applied Systems Engineering Form Alliance

Companies combine strengths to offer more comprehensive products & services solutions to joint customer base.

Calgary, Alberta, Canada - September 01, 2000

SUBNET Solutions Inc. (SUBNET) and Applied Systems Engineering, Inc. (ASE) have entered into a cooperative relationship that covers product development, sales, and marketing activities. The integration of the various products and services currently available from both firms via this partnership will accelerate development of new protocol communication products and services and greatly enhance customer service and support.

As part of this cooperative relationship, the companies will merge their Protocol Test Set product lines. Both firms will co-market and sell the joint test set product, named the ASE2000 Test Set. An upgrade program is being put into place for current Protocol Test Instrument (PTI) Test Set customers who wish to upgrade. The goal is to create a smooth transition for protocol test set customers to this common powerful platform. Both ASE and SUBNET will provide worldwide technical support of the ASE2000 Test Set while SUBNET will provide all test set training services.

"SUBNET has been offering substation communication and networking solutions to utilities and vendors for over eight years," said Mike Hoffinger, Vice President of SUBNET Solutions. "More than just Protocol Test Sets, this new relationship combines innovative products, such as SUBNET's Substation Explorer TM and ASE's extensive protocol libraries, allowing us to offer a wider range of substation automation products and more complete solutions to our customers."

Jack Verson, Vice President of ASE also commented that, "Applied Systems Engineering, Inc. is excited about our new relationship with SUBNET Solutions. In addition to the benefits from shared technology, this will allow us to enhance the services portion of our business, adding turnkey implementation services, training, and expanded field support capabilities."

Also included as part of this agreement, SUBNET will take over sales and customer support of ASE's GPT protocol source code libraries, recently renamed "Protocol Pak". SUBNET will offer consulting and turnkey services as well. The protocol source code library currently contains support for 20 protocols with new protocols being added on a regular basis.

About SUBNET Solutions Inc.:

SUBNET Solutions Inc., created by the merger of Demand Side Solutions and Protocol Technologies, has specialized in substation and distribution automation and networking since 1993. SUBNET focuses on providing the highest quality software products, training and system integration services to electrical utilities and Utility OEM vendors worldwide. SUBNET is now one of the world's leading suppliers of electric utility substation networking services, SCADA protocol testing equipment, communications protocol training services and system integration. SUBNET can be reached at the World Wide Web: www.subnetsolutions.com.

About Applied Systems Engineering, Inc.:

ASE, founded in 1982, is a technology leader in the manufacture of communication products for the SCADA industry, including RTU/IED protocol test equipment, protocol translators, communication front-end processors, communication boards, and Bell 202 and V.23 modems.

ASE can be reached on the World Wide Web: www.applsyseng.com.

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