

FOR IMMEDIATE RELEASE

FibreWired Hamilton poised for stronger growth and community impact with new ownership

Birch Hill Equity Partners' Atria Networks buys local telecom, ready to invest

(Hamilton, ON, July 4, 2007) Hamilton Utilities Corporation today announced that it has agreed to sell its interest in the FibreWired Hamilton business to Birch Hill Equity Partners. Hamilton Utilities has agreed in principle to sell the telecommunications utility it started seven years ago to realize the significant shareholder value created by its past success and position the business for the future.

Since its inception in 2000, Fibrewired Hamilton has satisfied a demand for local high-speed data services within the community of Hamilton and beyond. Having accomplished the objectives of its original mandate, FibreWired's continued success in a somewhat restricted market space would become increasingly difficult.

"FibreWired has served its present market well over the past several years," said John Basilio, Senior Vice President & CFO of Hamilton Utilities. "However, the dynamic nature of evolving customer demand for new telecommunications services requires access to a broader market and significant capital investment which is beyond FibreWired's present capacity. We believe such access is best achieved through divestiture to an institution committed to this mandate."

Birch Hill Equity Partners through its investment in Atria Networks will fill that critical role and help the company achieve its full potential. Birch Hill recently acquired Atria Networks, a business similar to FibreWired Hamilton serving Cambridge, Guelph, Kitchener, Waterloo and surrounding areas. Atria subsequently acquired SCBN Telecommunications Inc. which serves Simcoe County.

"We strongly believe in the prospects for FibreWired Hamilton and are excited about our investment," said Thecla Sweeney a Principal at Birch Hill. "The company is a leader in the industry and has many opportunities to create value in Hamilton and the surrounding areas. Birch Hill and Atria Networks are committed to continuing FibreWired's community initiatives and to further investment and growth of the business in partnership with FibreWired Hamilton's customers, employees and management team."

Birch Hill invests in leading Canadian middle-market businesses. This is the latest investment made through its \$850 million fund, Birch Hill Equity Partners III, LP. The twenty-three member team at Birch Hill has many years of experience working together as an active partner with top management teams in building long-term value.

FibreWired Hamilton is a diverse telecommunications enterprise supported by a 500 km network of fibre-optic cable, spanning a broad contiguous area centred in Hamilton, Ontario. The company provides high-speed data solutions, Internet connectivity, professional services, and recently designed and constructed a high security commercial data centre providing business continuity and disaster recovery services.

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