



UBS SETTLES DOL CLAIMS

Toronto, July 6, 2012 - Unique Broadband Systems, Inc. (“UBS”) (TSX Venture: UBS) and its board of directors is pleased to announce the court approval of a settlement agreement entered into today between UBS, its directors, Mr. Alex Dolgonos, 2064818 Ontario Inc. (“206 Ontario”), 6138241 Canada Inc. (“613 Canada”) and DOL Technologies Inc. (“DOL” and together with Mr. Dolgonos, 206 Ontario and 613 Canada, the “Dolgonos Parties”).

Pursuant to the terms of the settlement:

- DOL has agreed to reduce its claims against UBS to \$500,000 from in excess of \$8 million;
- all other claims and actions between the Dolgonos Parties, UBS and the current UBS directors will be dismissed, withdrawn and fully released without costs, although (i) the Dolgonos Parties will remain, in certain circumstances, entitled to assert claims for indemnification (based on their existing entitlement) against UBS in respect of claims that are unknown as of today, and (ii) UBS will not be precluded from taking or continuing proceedings against parties other than the Dolgonos Parties, even if such other parties may assert third party or other claims against the Dolgonos Parties;
- Mr. Grant McCutcheon and Mr. Henry Eaton will resign as directors of UBS and be replaced with two new independent directors: Mr. Victor Wells and Mr. Kenneth Taylor. Mr. Robert Ulicki will remain on the board;
- the court has made an order in the *Companies’ Creditors Arrangement Act* (the “CCAA”) proceedings which, subject to a future order of the court, postpones the requirement of UBS to hold shareholder meetings until the completion of the proceedings; and
- the Dolgonos Parties will not seek further representation on the board or management of UBS during the CCAA proceedings and will support the newly constituted board through to the completion of the CCAA process including with respect to the ongoing determination and defence of the remaining claims against UBS made by, among others, Jolian Investments Limited and Mr. Gerald McGoey.

In light of the anticipated time and expense involved in determining the validity and quantum of the claims asserted by the Dolgonos Parties, the directors of UBS and Mr. Dolgonos believe that the terms of settlement that were negotiated and concluded between the parties, and which were recommended by the court appointed monitor, are in the best interests of all shareholders. With this litigation settled, UBS is now better positioned to work to conclude the CCAA process and focus on the preservation and enhancement of shareholder value.

Victor Wells was CFO of Chemtrade Logistics Income Fund from its IPO in 2001 until 2006 and also served as CFO of Tahera Diamond Corp. He is a member of Financial Executives International Canada, Chair of the Canadian Financial Executives Research Foundation and was formerly Chair of the Committee on Corporate Reporting. A member of the Accounting Standards Board, Mr. Wells currently serves as Chair of Audit Committee for GT Canada Medical Properties Inc. and a member of the Audit Committee for Student Transportation Inc. He has previously served as Chair of the audit committees of MagIndustries Inc., Northstar Healthcare Inc. and Canada Cartage Diversified Income Fund. Mr. Wells is a fellow of the Institute of Chartered Accountants in British Columbia and Ontario, and obtained his Institute of Corporate Directors

designation in 2007.

Kenneth D. Taylor enjoyed a long career as a diplomat in the Canadian Foreign Service with postings in Guatemala, Detroit, London, Pakistan, Iran and Canadian Consul-General in New York. He is best known as the Canadian Ambassador to Iran who, in 1980, risked his own life and his country's reputation to help save the lives of six American hostages during the Iran Crisis. Since leaving the foreign service, Mr. Taylor has worked extensively in the private sector, including five years as Senior Vice President at Nabisco Brands/RJR Nabisco. In his current role as Chairman of the consulting firm of Taylor and Ryan, he provides counselling on issues of political risk, international marketing and strategic accommodation with government. He is currently a director of Marsh Canada, Skylink Aviation Inc., Groundstar Resources and Norvista Resources.

As a result of the foregoing, the annual and special meeting of shareholders of UBS scheduled for July 11, 2012 will be indefinitely postponed until the completion of the CCAA process.

About Unique Broadband Systems, Inc.

UBS's shares are currently listed on the TSX Venture Exchange under the symbols "UBS". More information on UBS can be found at www.sedar.com.

The corporate information contained in this release includes forward-looking statements regarding future events and costs that involve risks and uncertainties that could cause actual results to differ materially. Assumptions used in the preparation of such information, although considered reasonable by UBS at the time of preparation, may prove to be incorrect. The actual results achieved may vary from the information provided herein and the variations may be material. Consequently, there is no representation by UBS that actual results achieved will be the same in whole or in part as those forecast.

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For additional information, please contact:

Grant McCutcheon, CEO
(905) 660-8100