



Toronto, May 11, 2012 - Unique Broadband Systems, Inc. ("UBS") (TSX Venture: UBS) is issuing this release to provide an update on the status of proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA") and the upcoming shareholders' meeting (the "Meeting").

On April 13, 2012 a court order in the CCAA process was obtained which set out a partial timetable in respect of the determination of the Claims. A copy of the order can be found on the monitor's website at www.duffandphelps.com/restructuringcases under the UBS link. Pursuant to this timetable, on April 26, 2012, Messrs. Dolgonos and McGoey and certain of their affiliates formally set out the factual and legal basis for the over \$18 million in claims made against UBS (the "Claims"). On May 7, 2012, UBS formally responded by providing details of their responses and defences to such Claims and set out the legal and factual basis of the counterclaims which they seek to advance against Messrs. Dolgonos and McGoey and certain of their affiliates. Certain procedural elements of the claims process will continue through to the beginning of June and motions are scheduled to be heard on June 13, 2012.

On March 28, 2012, the board of UBS called the Meeting in response to the requisition delivered by affiliates of Mr. Alex Dolgonos. The purpose of the Meeting, among other things, is to replace the current board of directors of UBS with a slate of directors proposed by the affiliates of Mr. Dolgonos, namely Messrs. Kenneth D. Taylor, Azim S. Fancy, Daniel Marks and Victor Wells. In setting July 11, 2012 as the date for the Meeting, the board took into consideration a number of factors, including its reasonable expectation at the time that the determination and quantification of the Claims would be completed prior to such date through the claims process established under the CCAA.

While the board believes that there is the possibility that the claims process may be materially advanced or potentially settled prior to July 11, 2012, the board also believes at this time that it is unlikely that UBS will have any meaningful information in respect of the determination of the Claims to provide to shareholders by the time that it is required to mail a proxy circular to shareholders.

In seeking to gain control of UBS' board, and consequently control of the CCAA process, prior to the determination of the Claims that he is asserting against UBS, the board believes that Mr. Dolgonos is acting solely to advance his own self-interest and not the best interests of all shareholders. The board of UBS remains of the view that the Claims are without merit and that the best interests of all shareholders is served through the completion of the court supervised CCAA claims process as the most cost-effective, efficient and expeditious means for UBS to deal with the Claims. The board continues to believe that in order to make an informed decision regarding which slate of directors to support, shareholders should first be entitled to understand the likelihood of the Claims being disallowed and the corresponding potential value of their shares. If the Meeting proceeds on July 11, 2012, shareholders will likely be voting on the replacement of the board without the benefit of any information which permits them to understand the value of their shares in the event that the Claims are disallowed.

The board of UBS previously announced that they may consider adjourning the Meeting or seeking an order of the court to postpone the Meeting, including until such time as the claims process is completed, in order to ensure that shareholders can be provided with meaningful information to make an informed decision regarding the replacement of the board. While the board will be considering its options in this regard, no decision to adjourn or postpone the Meeting has been made at this time and the Meeting remains scheduled for July 11, 2012.

About Unique Broadband Systems, Inc.

UBS's shares are 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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