BSM TECHNOLOGIES

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PRIVATE & CONFIDENTIAL

Netistix Technologies Corporation
275 Michael Cowpland Drive
Kanata, ON K2M 2G2
Canada
Attention: All the Shareholders of Netistix Technologies Corporation

Dear Sirs:

Thank you for inviting BSM Wireless ("BSM") to participate in the sale process of Netistix Technologies Corporation ("**Company**"). We are pleased to submit, subject to BSM's board of directors approval, and other conditions set out herein, this binding offer to acquire ("**Letter Agreement**") the Company (the "**Transaction**").

In preparing this Letter Agreement, we have relied solely upon the information provided by the Company.

Purchase Consideration
Based on our preliminary review, BSM is prepared to value the Company on a Total Enterprise Value ("**TEV**") basis at Canadian $ 1,000,000. Our valuation is based on the following assumptions:

(i) All of the assets, liabilities and obligations of Company and results of operation of the business are accurately and completely reflected in the financials provided, all of which were prepared in accordance with generally accepted accounting principals applied on a consistent basis, and that no material change in the business or prospects of Company, any of its customers, or its supplier has occurred from historical actual results or future forecasts which has not been disclosed;

(ii) The valuation assumes (a) that all loans and convertible debentures outstanding including interest accrued therein will be converted into equity before the closing and (b) a net surplus working capital of $ Nil at the time of closing, and may be subject to a working capital adjustment which will be determined after BSM completes further due diligence. For the purposes of this provision, at the Closing the Company shall have, and shall deliver to BSM Net working capital of not less than $ Nil ("**Targeted Net Working Capital**"). At least 5 business days prior to the Closing, the Company shall deliver to BSM a certificate (the "**Closing Net Working Capital Certificate**") of the Chief Executive Officer and Chief Financial Officer of the Company setting out the Closing **Net Working Capital**, as agreed to by BSM and the Company, as at the Closing and certifying the amount of the Closing **Net Working Capital** as at the Closing. If the Closing Net Working Capital as determined by BSM is less than $Nil, BSM shall reduce the consideration payable to the Company at Closing by the difference between Targeted Net Working Capital and Closing Net Working Capital. For the purposes of this section, Net Working Capital means the difference between

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(a)(i) the sum of the cash and short term investments, (ii) collectible accounts receivables (iii) value of collectable refundable investment tax credits to be filed for the period Dec 1, 2006 to the date of the closing and (iv) inventories valued at the lower of cost or market value, less (b) the sum of bank indebtedness, accounts payable and accrued liabilities, current portion of notes payable, and current portion of capital lease obligations, in each case as determined in accordance with Canadian GAAP, applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications that were used in the preparation of the Company's Annual Financial Statements; and

(iii) The business of the Company will be operated in the normal course, consistent with past practice, from the date of acceptance of this Letter Agreement until closing of the Transaction.

For clarification purposes, in determining the equity value of the Company, we will deduct from the TEV all liabilities other than current accounts payable and accrued liabilities incurred in the normal course, including interest bearing debt, all other loans payable and deferred revenue, as applicable.

Sources of Financing

BSM, or a wholly owned subsidiary established for the purpose of completing the acquisition, would purchase 100% of the shares (or assets if deemed more appropriate) of the Company pursuant to a share purchase agreement.

Transaction Structure

i. BSM shall pay a maximum of $1,000,000 in Common Shares of BSM (the "BSM Shares") priced at the greater of $0.14 per share and the closing price of BSM Common Shares on the trading day immediately preceeding the acceptance of the terms of this Letter Agreement by the Company (subject to the rules of the TSX Venture Exchange), for the acquisition of the Company. On closing, the BSM Shares will be escrowed with Computer Share (the "Escrowed Shares"). These Escrowed Shares shall be released 50% on the date of the Closing (subject to a 4 month hold period) and the balance on receipt of notice of assessment from Canada Revenue Agency and Ministry of finance accepting the Investment tax credit refund claim.

Share Purchase Agreement

Upon execution of this Letter Agreement, the parties will negotiate and enter into a formal share purchase agreement (**the "Share Purchase Agreement"**). The Share Purchase Agreement will reflect accurately the terms and conditions of this Letter Agreement and in addition will contain representations, warranties, covenants, conditions and indemnities of the parties which are customary to transactions of this nature. This Letter Agreement and the Share Purchase Agreement will include, but will not be limited to, the following representations and warranties of the Company and its shareholders:

(i) the Company is a duly and validly subsisting corporation incorporated under the laws of its jurisdiction of incorporation or organization;

(ii) the Company has all necessary corporate power, authority and capacity to carry on the Business as it is now being conducted by it and to own, lease and operate the properties and assets now owned, leased and operated by it including, without limitation, the Assets. The Company is duly

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qualified to carry on the Business as it is now being conducted by it and to own, lease and operate its properties and assets including, without limitation, the Assets and is in good standing in its jurisdiction of incorporation and in every jurisdiction in which the character of the Business conducted by it or the nature of the properties and assets owned, leased or operated by it make such qualification necessary;

(iii) the Company does not have any subsidiaries

(iv) the execution and delivery of this Agreement and all other agreements, the execution of which is contemplated hereby by the Company, and the observance and performance of the terms and provisions of any such agreements on their part to be observed and performed and the completion of the transactions provided for herein, do not constitute a violation of applicable law or a violation or breach of constating documents or bylaws of the Company, any provision of any contract to which the Company is a party or by which it is bound, or any order, writ, injunction, decree, statute, rule, by-law or regulation applicable to the Company, would not constitute a default (nor would with the passage of time or the giving of notice or both or otherwise, constitute a default) under any contract to which the Company is a party or by which it is bound, would not reasonably be expected to materially adversely affect the Assets and the Business or the Company and would not result in the creation or imposition of any encumbrance on the Assets to be acquired by BSM hereunder or any property or assets of the Company. The Share Purchase Agreement and all documents and agreements contemplated to be delivered by the Company on Closing will constitute legal, valid and binding obligations of it enforceable against it in accordance with the terms hereof and thereof, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought;

(v) the minute books of the Company contain accurate and complete copies of the constating documents of the Company, which documents include all articles of incorporation and any and all articles of amendment. There are outstanding no applications or filings which would alter in any way the constating documents or corporate status of the Company;

(vi) the books of account and financial records of the Company fairly and correctly set out and disclose in all material respects the current financial position of the Company. All transactions involving the Company have been accurately recorded in their respective books and records;

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(vii) the Company has not guaranteed or otherwise given security for or agreed to guarantee or give security for any liability, debt or obligation of any person;

(viii) there are no judgments or executions outstanding against the Company nor are there any suits, actions or legal, administrative, arbitration or other proceedings or governmental investigations affecting the business, operations, prospects, property or affairs of the Company pending or threatened against the Company which might materially and adversely affect its financial condition, properties and assets or the conduct of the Business. There is no event or condition of any character pertaining to the Business or to the Assets that may reasonably be expected to materially adversely affect such assets or the Business;

(ix) the Company is not in default under or in breach of any term of any contract to which it is a party or by which it is bound or of any obligation to which it is subject and, to the Company's knowledge, there exists no state of facts which, after notice or lapse of time or both, or otherwise would constitute a default under or a breach of any such obligation or of a term of any such contract. To the Company's knowledge, no other party to any contract is in default thereunder. :

(x) the Company has duly filed all sales, income and other tax returns required to be filed by it in a timely manner and has paid all taxes which are due and payable, and has paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and funds due and payable by it on or before the date hereof; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by, or payment of any tax, withholding taxes, governmental charge or deficiency against it; there are no actions, suits, proceedings, audits, investigations or claims in existence, now pending or, threatened against the Company in respect of taxes, withholding taxes, governmental charges or assessments, or any discussions ongoing with any governmental authority relating to taxes, withholding taxes, governmental charges or assessments being asserted by such authority, there is no reason that any such actions, audits or investigations would be commenced against the Company nor are there any discussions in that regard. The Company has made adequate provision for taxes which are payable in respect of the current tax year for which tax returns have not yet been filed and all previous tax years. The Company has duly and timely withheld from any amount paid or credited by it to or for the account or benefit of any person, including any of its employees, officers, directors, shareholders and any non-resident person, the amount of all taxes and other deductions required by any applicable law, rule or regulation to be withheld from any such amount and has duly

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and timely remitted the same to the appropriate taxing or other governmental authority or agency;

(xi) the Company has not received notice of any material violation of or investigation relating to any federal, provincial or local environmental or pollution law, regulation or ordinance with respect to the assets, business or operations of the Company and, all permits, licenses and other authorizations which are required under federal, provincial or local laws with respect to pollution or protection of the environment relating to the Assets and the Business have been obtained and are in good standing All of the Assets of the Company operated and maintained by the Company are in compliance with all terms and conditions of such laws, permits, licenses and authorizations in all material respects, and are also in compliance with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in such laws or contained in any regulation, code, plan, order, decree, judgment, notice or demand letter issued, entered, promulgated or approved thereunder relating to the Assets operated by the Company in all material respects;

(xii) the Company is the owner of the Assets and the Assets are free and clear of any liens, royalties, production payments, charges, adverse claims, demands or encumbrances created by, through or under the Company or of which the Company has knowledge.

(xiii) all material contracts of the Company comprising the Assets are in good standing in accordance with their terms and may be assigned to BSM; and

(xiv) the Company has performed, observed and satisfied all of its material duties, liabilities, obligations and covenants required to be satisfied, performed and observed by it under, and is not in material default under or in material breach of, the terms of any material contract comprising the Assets;

Pre-Conditions to the execution of the Share Purchase Agreement and Conditions to Closing

Prior to entering into the Share Purchase Agreement, we will require, among other things, the following:

(i) satisfactory completion of all due diligence deemed appropriate by each party including, but not limited to, tax, accounting, legal, and management; and

Prior to Closing, the following additional conditions must be met:

(i) approval of the board of directors of each of BSM and the Company to the Transaction;

(ii) receipt of all regulatory approvals;

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(iii) approval of all the shareholders of the Company to the Transaction;

(iv) acceptance of new employment agreement with either BSM or the Company by the employees identified in Appendix A to this Letter Agreement.

(v) delivery of the Liabilities Certificate and the Net Liabilities Certificate and such other certificates as may be reasonably requested by BSM;

(vi) delivery of executed agreements representing the Settlements;

(vii) successful negotiation and execution of all final closing documentation including, as required, the Share Purchase Agreement and employment agreements with key employees as listed in Appendix A, is required. The definitive documentation will contain terms and conditions. representations, warranties, covenants, indemnities, closing conditions and opinion requirements that are customary in purchase and sale transactions of the nature contemplated herein. These will be jointly agreed by BSM, the Company and the shareholders of the Company;

(viii) delivery of legal opinions from counsel to BSM and the Company with respect to the Transaction;

(ix) the Business being conducted in the ordinary and normal course from the date hereof to Closing and there being no material adverse change in the Business or in the future prospects of the Business prior to Closing;

(x) any required third party approvals or consents to the Transaction and any other governmental or regulatory filings, permits, or approvals required in connection with the Transaction;

(xi) there being no change of control clauses in any contracts of the Company which would result in the termination or amendment of such contract as a result of the acquisition of control of the Company by BSM directly or indirectly; and

(xii) such other conditions precedent as are normally provided for in connection with a transaction of this nature and which are mutually agreeable to the parties.

Expected Due Diligence Requirements

Among other due diligence that would be appropriate for a transaction of this size, we would require additional information to complete our investigation of Company including, but not limited to, the following:

(i) market based research and analysis by BSM,

(ii) appropriate team and individual meetings with Company;

(iii) technical review;

(iv) major customer and supplier calls. Direct contact will only be permitted with the consent of the Vendor. It is understood that all customer and supplier information is confidential. Certain sensitive information may be withheld until binding documentation has been finalized. Binding documentation will be subject to a satisfactory review of this withheld information;

(v) review and verify selected accounting records – including audited financials, interim management statements, tax returns; and

(vi) review and examination of legal records – including the minute book and government permits.

Upon execution of this Letter Agreement, a detailed due diligence list will be sent.

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Each party shall provide the other with reasonable access to all documentation as such party may request in relation to their due diligence review of the Transaction.

We assume that the Company will provide reasonable access to all appropriate information, individuals and facilities necessary to accomplish our review. In addition to our financial and operational due diligence review, we will engage accounting, legal, environmental and other advisors, as appropriate, to assist us in completing our due diligence. Representatives from BSM will make themselves available to suit the schedule that will be agreed upon with you in advance.

Confidentiality

The data and information coming into the possession of any party to this Letter Agreement which is otherwise not publicly known shall be deemed to be strictly confidential and shall not be disclosed to any third person, whether orally or in writing, including the media, without the prior written consent of the parties to this Letter Agreement. This prohibition shall not prevent any party to this Letter Agreement from making such disclosures as are required by virtue of any law to which it is subject or by regulatory bodies having jurisdiction and specifically does not apply to new releases that any party wishes or its required to make provided that the name of the other parties are not referred to therein without the prior consent of the other parties unless required by law or applicable regulatory authorities. Nothing in this paragraph shall prevent a party from furnishing to any entity with which it is in good faith negotiating in furtherance of its obligations contemplated herein such information as may reasonably be required by such entity. The recipient of such information may be required to give a written confidentiality commitment prior to receiving any such information. The confidentiality commitment shall prohibit the party to whom disclosure is made from disseminating any information received to third parties. This provision shall survive the termination of this Letter Agreement.

Proposed Timetable for Completion of the Transaction

We believe the transaction could be completed in approximately four to five weeks once we have executed the Letter Agreement. BSM would anticipate spending one week conducting management meetings and site visits, , financial and other due diligence, and two weeks completing the Share Purchase Agreement with a further one week to draft the additional documentation required for Closing. Closing shall occur as soon as possible following the execution of the Share Purchase Agreement and the approval of TSX Venture Exchange.

Upon acceptance of the terms and conditions contained here within, the Company agrees that BSM will have a period not to exceed 20 days from the date of execution of this Letter Agreement, to complete its due diligence and submit executable form of the Share Purchase Agreement. For avoidance of further doubt, BSM will have exclusive rights to complete its due diligence during this period – no other entity will have the right to conduct due diligence or make any proposal, binding or non-binding, for any equity, assets or liabilities associated with Company. It is clearly understood that all costs related to the due diligence will be exclusively borne by BSM.

Exclusivity Period

After execution of this Letter Agreement and through and including that date which is 45 days from the date first above written ("**Exclusivity Period**"), the Company will not, and will not permit its officers, directors, employees, agents, representatives or affiliates to solicit, encourage, initiate, enter into, continue or participate in any negotiations or discussions with, or provide information to, any third party

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concerning the possible acquisition or sale of the Company or its stock, business or assets or any other transaction that would be inconsistent with the acquisition contemplated hereby. The Company shall immediately cease and cause to be terminated any such contracts or negotiations with third parties and shall immediately notify BSM if the Company learns of any inquiry or proposal during the Exclusivity Period concerning the possible acquisition of the Company or its stock, business or assets. Such notice shall include the name of the inquirer or proposed acquirer and the terms and conditions of such inquiry or proposal. If the Company's obligations in this Section are breached or violated, BSM shall be entitled to receive a termination fee equal to $100,000 as reimbursement of BSM's out-of-pocket costs and expenses. Such termination fee and reimbursement of costs and expenses must be paid by the Company to BSM within two days of receipt by the Company of notice of breach from BSM. Payment of the fees above shall not be in lieu of damages incurred in the event of breach of this Letter Agreement or the Share Purchase Agreement. If within this exclusivity period , BSM expresses its inability to proceed with the transaction, the Company will be released from this Exclusivity Period and the associated termination fee.

Interim Financing
In this exclusivity period, BSM at its sole discretion may advance money ("advance") to the Company to meet its reasonable payroll shortfalls, which advance shall be secured by first charge against the inventory , accounts receivable , servers, and intellectual property including without limitation the patents, owned by the company. Before advancing the amount BSM and the Company will execute the necessary documents.

Costs

Each party will be responsible for its own costs of the Transaction.

Contacts
Please contact me with any questions regarding this proposal. My contact details are as follows:

Mr. Nick Cirella
CEO
BSM Wireless
Telephone: (905) 265-1200
Facsimile: (905) 265-1288
Email: nickcirella@bsmwireless.com

This Letter Agreement constitutes a binding commitment subject to the execution of the definitive Share Purchase Agreement which would be preceded by our due diligence process. This Letter Agreement and its terms are confidential and non-assignable. If the parties cannot agree upon the terms of the definitive Share Purchase Agreement, this Letter Agreement shall apply and Closing shall be effected pursuant to the terms of this Letter Agreement within five (5) business days following final approval of TSX Venture Exchange to this Transaction.

We trust that the foregoing is responsive to the transaction process described and will be considered seriously by the Company. We are eager to complete our due diligence so that a definitive offer can be finalized and submitted for your acceptance. If you have any questions or concerns about our proposal, please call me. We look forward to working with you to negotiate the terms of a successful transaction.

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Should the terms and conditions of this Letter Agreement be acceptable to the Company and the Shareholders thereof, please sign and return this Letter Agreement to the above address by no latter than end of the day Thursday October 25, 2007 and there shall be a binding agreement of purchase and sale on the terms set out above among BSM, the Company and the shareholders of the Company subject to the conditions set out above.

Mr. Nick Cirella	***Reg Cable***
CEO	***CEO***
BSM Technologies Inc.	Netistix Technologies Corporation
	Oct. 25. 2007.

the Shareholders of Netistix Technologies Corporation

Reg Cable

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