UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JANUARY 9, 2014.

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE BORROWER THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT IN A TRANSACTION COMPLETED IN ACCORDANCE WITH THE REGISTRATION STATEMENT, (B) TO THE BORROWER, (C) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (D) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (E) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS PURSUANT TO CLAUSES (C) OR (E), THE LENDER FURNISHES TO THE BORROWER AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE BORROWER TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

CRAIG WIRELESS SYSTEMS LTD.
SECURED CONVERTIBLE NON-TRANSFERABLE NOTE
DUE December 31, 2015

Amount: US$1,000,000 **Dated as of: September 9, 2014**

FOR VALUE RECEIVED, the undersigned, Craig Wireless Systems Ltd. (the "**Borrower**"), a company existing under the federal laws of Canada, **PROMISES TO PAY** to or to the order of J. Drew Craig (the "**Lender**"), the principal amount of one million dollars in lawful money of the United States (US$1,000,000) due December 31, 2015 (the "**Maturity Date**"), with interest on such amount at the rate, calculated in the manner and payable at the time specified in this note.

It is hereby acknowledged by each of the Borrower and the Lender that in addition to this note, on the date hereof the Borrower has (i) issued to J. Drew Craig a secured convertible non-transferrable note in the principal amount of one million dollars in lawful money of the United States (US$1,000,000), on the same terms and conditions specified in this note; and (ii) issued to T. Boyd Craig a secured convertible non-transferrable note in the principal amount of three million five hundred thousand dollars in lawful money of the United States (US$3,500,000), each on the same terms and conditions specified in this note (collectively, the "**Other Notes**"). Together, the Lender, J. Drew Craig and T. Boyd Craig are collectively referred to as the "**Lenders**".

In addition to the terms defined elsewhere in this note, capitalized terms that are not otherwise defined herein have the meaning given to such terms in the commitment letter, dated August 8, 2014, between the Lenders and the Borrower, as amended September 9, 2014 (the "**Commitment Letter**").

1. **Interest**

(a) The principal shall bear interest at the rate of 12% percent per annum and six months' interest shall be prepaid in full in advance, on December 31 and June 30 of each year until the Maturity Date, with a "stub" interest repayment made on the date of issue of this note in respect of interest on the principal amount of this note for the period commencing on such date and ending on December 31, 2014. All accrued and unpaid interest, if any, shall be due and payable on the Maturity Date. Any overdue principal and/or interest shall be payable monthly in arrears and bear interest at the same rate and shall accrue daily and be calculated on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be. For greater certainty, the prepaid interest payable in accordance with this Section will not be returned or refunded, other than in accordance with Section 1(b). The Borrower acknowledges and agrees that the principal amount advanced by the Lender hereunder on closing of the private placement of this note will be net: (i) the amount of interest payable on the closing date, and (ii) the Expense Payment (as defined in Section 4(c)).

(b) If any provision of this note would oblige any party to make any payment of interest or other amount payable to the Lender in an amount or calculated at a rate which would be prohibited by applicable law or would result in a receipt by the Lender of "**interest**" at a "**criminal rate**" (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, that would not be so prohibited by applicable law or so result in a receipt by the Lender of "**interest**" at a "**criminal rate**", such adjustment to be effected, to the extent necessary (but only to the extent necessary) by the Lender returning such excess amount or rate to the Borrower if such amount has been paid or prepaid pursuant to Section 1(a).

(c) All payments made by the Borrower will be required to be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, impost, assessment or other governmental charge (including penalties, interest and other liabilities related thereto) imposed or levied by or behalf of any governmental authority, including any authority or agency having power to tax, unless the Borrower is required to withhold or deduct taxes by law or by the interpretation or administration thereof. If the Borrower is so required to withhold or deduct any amount for or on account of taxes from any payment made under or with respect to this note, the Borrower will pay to the Lender as additional interest, such additional amounts ("**Additional Amounts**") as may be necessary such that the net amount received by the Lender after such withholding or deduction (and after deducting any taxes on such Additional Amounts) will not be less than the amount the Lender would have received if such taxes had not been withheld or deducted.

2. Principal

(a) The Borrower shall pay the then outstanding principal balance of this note to the Lender in its entirety on the Maturity Date (the "**Principal Payment**") in accordance with this Section 2. To the extent any portion of the principal balance of this note has been converted by the Lender into subordinate voting shares of the Borrower ("**Subordinate Voting Shares**") pursuant to Section 6 below, the Principal Payment shall be reduced by the portion of the principal so converted.

(b) At the Lender's election, the Borrower shall pay the Principal Payment either (i) in cash equal to the applicable principal balance (the "**Cash Principal Payment Amount**"), (ii) in Subordinate Voting Shares, or (iii) in any combination thereof. The Lender may deliver written notice to the Borrower indicating the manner in which it elects to receive the Principal Payment at least 10 trading days ("**Trading Days**"), being a day on which the TSX Venture Exchange (the "**TSXV**") or such other stock exchange on which the Subordinate Voting Shares are principally traded (collectively with the TSXV, the "**Applicable Exchanges**") are open for trading, prior to the Maturity Date. Failure to timely provide such written notice before the Maturity Date shall be deemed an election by the Lender to be paid in cash equal to the Cash Principal Payment Amount due upon the Maturity Date. For greater certainty, the Borrower shall not be under any obligation to pay all or a portion of the Principal Payment by issuing Subordinate Voting Shares to the Lender if, at the time such Subordinate Voting Shares are to be issued and assuming a *pro rata* conversion of the Other Notes, the Borrower is, or as a result of such issuance would be, in violation of any applicable continued listing requirements of the Applicable Exchanges then in effect. If such violation is anticipated, the Lender acknowledges and agrees that the Borrower may convert only such part of the respective Lender's principal amount on a *pro rata* proportionate basis so as to not cause the issue of Subordinate Voting Shares to violate any applicable continued listing requirements of the Applicable Exchanges and the balance not paid for in Subordinate Voting Shares shall be paid in cash on the Maturity Date.

(c) In the event that the Lender elects to be paid all or any portion of the Principal Payment in Subordinate Voting Shares subject to the limitations set out in Section 2(b), the number of Subordinate Voting Shares issuable in respect of such Principal Payment shall be calculated in accordance with Section 6 below.

(d) In the event that the Lender elects to be paid all or any portion of the Principal Payment in Subordinate Voting Shares and the Borrower is unable to issue such Subordinate Voting Shares due to (i) such Subordinate Voting Shares no longer being listed and traded on the Applicable Exchanges, or (ii) restrictions imposed under applicable Canadian securities laws, securities laws of any other relevant jurisdiction, or the rules and regulations of the Applicable Exchanges, including any applicable continued listing requirements thereof, any portion of such Principal Payment that the Borrower may not pay in Subordinate Voting Shares shall be paid in cash on the Maturity Date. To the extent that all or any portion of the Principal Payment is paid in Subordinate Voting Shares, the Borrower shall, as directed by the Lender, on or before the third Trading Day following the Maturity Date, (i) issue and deliver to the Lender a share certificate registered in the name of the Lender or its designee, for the number of Subordinate Voting Shares to which the Lender is entitled, or (ii) except to the extent prohibited by law or the extent the Borrower cannot do so after using commercially reasonable efforts, credit the number of Subordinate Voting Shares to which the Lender is entitled to the Lender's designee's balance account with CDS or another clearing corporation performing similar functions.

(e) At the Borrower's election, with 30 days prior notice to all of the Lenders, the Borrower shall have the right to prepay all or part (in increments of $100,000 of principal) of the aggregate principal balance of this note together with the Other Notes, payable to each of the Lenders in proportion to their interest in the aggregate principal balance of this note together with the Other Notes then outstanding in cash equal to the applicable principal balance plus a cash payment (the "**Prepayment Amount**") calculated as follows: (i) 10% of the principal balance being prepaid plus (ii) all accrued and unpaid interest on the principal balance being prepaid, if any.

For greater certainty, the provisions of this Section 2(e) will in no way affect the Lender's rights to convert all or part of the principal balance of this note pursuant to Section 2 and Section 6.

3. Ranking

(a) The indebtedness payable under this note together with the Other Notes (such indebtedness being hereinafter referred to as "**Secured Indebtedness**"), shall be senior secured against all assets of the Borrower (the "**Collateral**"), and first ranking to all other indebtedness of the Borrower other than indebtedness and security listed in Schedule "A", and evidenced by way of a general security agreement.

(b) The Borrower further agrees, as a condition to the advance of the principal amount contemplated under this note together with the Other Notes, to if requested by the Lenders and if necessary amend the following existing security in place in favour of the Lenders to reflect the principal amount advanced hereunder and thereunder, as necessary, and to provide evidence of same to the Lenders on the closing date:

(i) a general security agreement issued by the Borrower;

(ii) mortgages of the spectrum rights held by Craig Wireless New Zealand Spectrum Operations Limited and Woosh Wireless (NZ) Limited;

(iii) a pledge of shares of the Direct Subsidiaries;

(iv) secured guarantees from each of the Direct Subsidiaries and the Indirect Subsidiaries; and

(v) a pledge of shares of the Indirect Subsidiaries.

(c) In addition to the other covenants contained herein, no indebtedness shall be incurred or suffered to exist by the Borrower or its subsidiaries that is senior to or *pari passu* with the Secured Indebtedness in right of payment, whether with respect to interest, principal, damages or upon liquidation or dissolution or otherwise without the consent of each of the Lenders.

4. Covenants of the Borrower

(a) The Borrower covenants that so long as the Secured Indebtedness is outstanding, the Borrower will not, and will not permit any of its subsidiaries to, directly or indirectly:

(i) enter into, create, assume or suffer to exist any indebtedness for borrowed money of any kind that ranks in priority to the Secured Indebtedness or any indebtedness (even if subordinated) that matures on or before the Maturity Date other than the indebtedness listed in Schedule "A" or except with the prior written consent of the Lenders, and provided that any such indebtedness incurred after the date hereof is postponed and subordinated on terms satisfactory to the Lenders, acting reasonably;

(ii) create, incur, assume or suffer to exist any lien on any of the Borrower's or its subsidiaries' properties or assets ranking *pari passu* or in priority to any security in favour of the Lenders contemplated herein or in the Other Notes, except: (1) "Permitted Liens" as listed in Schedule "B"; and (2) any secured lien (regardless of ranking) that is created after the date hereof that is subordinated to the security in favour of the Lenders contemplated herein or in the Other Notes on terms satisfactory to the Lenders;

(iii) enter into any agreement with, make any financial accommodation for, or otherwise enter into any transaction with, a party not dealing at arm's length (including by virtue of control, beneficial ownership, position or inter-corporate relationship) with a value exceeding US$50,000 individually or in the aggregate, except with the prior written consent of the Lenders and except for reasonable executive compensation arrangements approved by the Borrower's board of directors;

(iv) make (i) any change in the nature of its business which may materially adversely affect the Borrower's ability to repay the Secured Indebtedness, or (ii) move its head office or charter to another jurisdiction;

(v) without the prior written approval of the Lenders, directly or indirectly, (i) redeem, purchase, repurchase, or otherwise acquire any shares (or equivalent) or set aside any monies for such a redemption, purchase, repurchase, or other acquisition of its shares (or equivalent), or (ii) declare, make, pay or commit to any form of distribution, including any dividend or other distribution, on any shares.

(b) So long as the Secured Indebtedness is outstanding, the Borrower and its subsidiaries, to the extent applicable, shall:

(i) duly and punctually pay, in the manner specified herein, all amounts due and payable in accordance with the terms and provisions hereof;

(ii) duly and punctually deliver, in the manner specified herein, all Subordinate Voting Shares to be delivered to the Lender on conversion of any principal amount or repayment on maturity in accordance with the terms and provisions hereof;

(iii) comply, in all material respects, with all applicable laws;

(iv) at all times, maintain its respective corporate existence, carry on and conduct its respective business in a proper, efficient and businesslike manner and in accordance with good business practice (including maintaining insurance policies with reputable insurers against risks of loss of or damage to its properties, assets and business to the full insurable value of such properties, assets and business) and diligently maintain, use and operate its respective properties so as to preserve and protect the earnings, incomes, rents, issues and profits thereof; and

(v) at the Borrower's expense, perform, execute and deliver all acts, agreements and other documents as may be reasonably requested by the Lender at any time to register, file, signify, publish, perfect, maintain, protect and enforce the security interests created in connection with this note.

(c) The Borrower shall pay in advance on the closing date all reasonable costs and legal fees of the Lender's counsel in an amount to be determined by the closing date (collectively, the "**Expense Payment**").

5. Use of Proceeds

The Borrower shall use the proceeds of this note for working capital and general corporate operating purposes, and the Lenders will be given assurances satisfactory to each of them by the Borrower's board of directors regarding the use of proceeds.

6. Conversion

(a) A portion or all of the principal amount of this note outstanding from time to time shall be convertible into Subordinate Voting Shares at a conversion price equal to: (i) from the closing of the private placement of this note to June 6, 2015, the conversion price shall be Cdn$0.08 per Subordinate Voting Share; and (ii) from June 7, 2015 to December 30, 2015, the conversion price shall be Cdn$0.10 per Subordinate Voting Share, in each case subject to adjustment as provided in Section 6(f) and Section 6(g), by agreement of the Lenders, at their collective option with no obligation, at any time.

(b) The right of conversion pursuant to this Section 6 shall extend only to the maximum number of whole Subordinate Voting Shares into which the principal amount surrendered for conversion at any one time with fractional shares treated as set forth in Section 6(i), provided that:

(i) the Lender shall have no right of conversion pursuant to this Section 6 if, at the time such conversion is desired and the related Subordinate Voting Shares are to be issued, the Borrower is, or as a result of such issuance would be, in violation of any applicable continued listing requirements of the Applicable Exchanges then in effect;

(ii) the Lender shall only have the right to convert if concurrent with such conversion the other Lenders would be able to convert their *pro rata* proportion of the aggregate principal amount outstanding under this note together with the Other Notes without causing the Borrower to violate any applicable continued listing requirements of the Applicable Exchanges then in effect; and

(iii) the Lender shall have provided the other Lenders with at least thirty (30) days prior written notice of its intention to convert, unless the right of conversion is being exercised within the thirty (30) day period after receipt by the Lender of a prepayment notice pursuant to section 2(c) hereof.

(c) The Lender may exercise its right to convert at any time prior to the Maturity Date or early repayment of the full principal amount of this note pursuant to Section 2(e) hereof, by sending to the Borrower at its principal address a notice (a "**Conversion Notice**") exercising its right to convert in accordance with the provisions of this Section 6, which shall specify the portion of the principal amount of this note subject to conversion (the "**Conversion Amount**"). Upon receipt of the notice and subject to satisfaction of the conversion conditions set out herein, the Lender shall be entered into the register of shareholders of the Borrower, as at the date of conversion, as the holder of the number of Subordinate Voting Shares into which the principal amount of the note subject to conversion is convertible based on the Conversion Price at such time and do all such things and provide all such treasury directions to the transfer agent of the Borrower as may be required to give effect to the foregoing and the Borrower shall, as directed by the Lender, on or before the tenth Trading Day following the date of the Conversion Notice, (A)(i) issue and deliver to the Lender a share certificate registered in the name of the Lender or its designee, for the number of Subordinate Voting Shares to which the Lender is entitled, or (ii) except to the extent prohibited by law or the extent the Borrower cannot do so after using commercially reasonable efforts, credit the number of Subordinate Voting Shares to which the Lender is entitled to the Lender's or its designee's balance account with CDS or another clearing corporation performing similar functions, and (B) if applicable, a cheque for any amount payable under Section 6(i).

(d) The Lender shall be required to deliver this original note in order to effect a conversion of any principal amount of the note. Upon surrender of this note following one or more partial conversions, the Borrower shall promptly deliver to the Lender a new note representing the remaining outstanding principal amount of the note.

(e) The Subordinate Voting Shares issued upon such conversion shall rank in priority only in respect of dividends declared in favour of shareholders of record of the Borrower on and after the date of conversion. As of and from the date of conversion, the Subordinate Voting Shares so issued shall, for all purposes, be and be deemed to be issued and outstanding as fully paid and non-assessable Subordinate Voting Shares.

(f) The Conversion Price in effect at any date shall be subject to adjustment from time to time as provided in this Section 6(f) and Section 6(g). If the Borrower at any time after issuing this note subdivides (by any share split, share dividend, recapitalization or otherwise) its outstanding Subordinate Voting Shares into a greater number of Subordinate Voting Shares, any Conversion Price in effect immediately prior to such subdivision will be proportionately reduced subject to the rules of the Applicable Exchanges and applicable law. If the Borrower at any time after the entering into of this note consolidates (by combination, reverse share split or otherwise) its outstanding Subordinate Voting Shares into a smaller number of Subordinate Voting Shares, any Conversion Price in effect immediately prior to such consolidation will be proportionately increased. Any adjustment under this Section 6(f) and Section 6(g) shall become effective at the close of business on the date the subdivision or consolidation becomes effective.

(g) If at any time after issuing this note there occurs:

(i) a reclassification or redesignation of the Subordinate Voting Shares, any change or exchange of the Subordinate Voting Shares into other shares or securities or any other capital reorganization involving or for the Subordinate Voting Shares other than transactions covered by Section 6(f);

(ii) a consolidation, amalgamation or merger of the Borrower with or into any other body corporate, or plan of arrangement involving the Borrower, which results in a reclassification or redesignation of the Subordinate Voting Shares or a change or exchange of the Subordinate Voting Shares into other shares or securities;

(iii) a share exchange in connection with a take-over bid to which 90% or more of the Subordinate Voting Shares then outstanding (other than those Subordinate Voting Shares held by the offeror or its affiliates) are deposited and taken-up and paid for pursuant to the take-over bid and the balance are then compulsorily acquired; or

(iv) the transfer of the undertaking or assets of the Borrower as an entirety or substantially as an entirety to another corporation or entity;

(any such events being herein called a "**Capital Reorganization**"), after the effect date of the Capital Reorganization:

(v) the Lender will be entitled to receive upon conversion of the Conversion Amount, in lieu of the number of Subordinate Voting Shares to which the Lender was theretofore entitled upon the conversion of the Conversion Amount, the kind and aggregate number of shares and other securities or property resulting from the Capital Reorganization which the Lender would have been entitled to receive as a result of the Capital Reorganization if, on the effective date thereof, the Lender had been the registered holder of the number of Subordinate Voting Shares to which the Lender was theretofore entitled to receive upon the conversion of the Conversion Amount; and

(vi) the Conversion Price shall (subject to the rules of the Applicable Exchanges and applicable law), on the effective date of the Capital Reorganization, be adjusted by multiplying the Conversion Price in effect immediately prior to such Capital Reorganization by the number of Subordinate Voting Shares purchasable pursuant to this note immediately prior to the Capital Reorganization, and dividing the product thereof by the number of successor securities determined in Section 6(g)(v) above.

If necessary, as a result of any Capital Reorganization, appropriate adjustments will be made in the application of the provisions of this note with respect to the rights and interest thereafter of the Lender to the end that the provisions of this note will thereafter correspondingly be made applicable as nearly as may reasonably be possible in relation to any shares or other securities or property thereafter deliverable upon the conversion of any Conversion Amount.

If at any time after issuing this note the Borrower fixes a record date for the issuance of rights, options or warrants to the holders of all or substantially all of the Subordinate Voting Shares (a "**Rights Offering**") entitling them, for a period expiring not more than 45 days after that record date, to subscribe for or acquire Subordinate Voting Shares or securities convertible into or exchangeable for a Subordinate Voting Share ("**Convertible Securities**") at a price per Subordinate Voting Share (including, in the case of Convertible Securities, both the cost of acquisition of the Convertible Security and the conversion or exchange price, on a per Subordinate Voting Share basis) of less than 95% of the volume weighted average trading price of the Subordinate Voting Shares ("**VWAP**") for the 20 consecutive trading days before that date (the "Current Market Price"), then the Conversion Price will be adjusted, effective on the record date for the Rights Offering (the "**Rights Offering Trigger Date**"), by multiplying the Conversion Price in effect before the adjustment by a fraction:

with a numerator equal to the aggregate of:

> the number of Subordinate Voting Shares outstanding before giving effect to the Rights Offering; and
>
> the number determined by dividing: (A) the aggregate subscription price for all Subordinate Voting Shares offered under the Rights Offering (calculated as if all rights, options or warrants issued under the Rights Offering had been exercised, and as if all Convertible Securities acquired under the Rights Offering had been converted or exchanged for Subordinate Voting Shares, in each case as of the Rights Offering Trigger Date); by (B) the Current Market Price; and

with a denominator equal to the aggregate of:

> the number of Subordinate Voting Shares outstanding before giving effect to the Rights Offering; and
>
> the number of Subordinate Voting Shares offered under the Rights Offering (including all Subordinate Voting Shares issuable if all rights, options or warrants issued under the Rights Offering are exercised, and if all Convertible Securities acquired under the Rights Offering are converted or exchanged for Subordinate Voting Shares).

If at any time after issuing this note the Borrower fixes a record date for the distribution to the holders of all or substantially all of the Common Shares of:

- shares of any class, whether of the Borrower or any other corporation;

- rights, options or warrants;
- evidences of indebtedness; or
- other assets or property,

and if the distribution does not constitute a Capital Reorganization or a Rights Offering (any non-excluded distribution, a "**Special Distribution**"), then the Conversion Price will be adjusted, effective on the record date for the Special Distribution, by multiplying the Conversion Price in effect before the adjustment by a fraction:

with a numerator equal to the VWAP for the five consecutive trading days starting on the "ex-distribution" date; and

with a denominator equal to the VWAP for the five consecutive trading days ending immediately before the "ex-distribution" date.

(h) If any question arises with respect to the adjustments provided in Section 6(f) or Section 6(g), such question shall be conclusively determined by a firm of chartered accountants appointed jointly by the Lender and the Borrower at its sole and absolute discretion. Such chartered accountants shall be given access to all necessary records of the Borrower and their determination shall be binding upon the Borrower and the Lender. All costs and expenses related to this determination, including any fees payable to such chartered accountants appointed pursuant to this Section 6(h) shall be at the cost of the Borrower.

(i) The Borrower shall not be required to issue fractional Subordinate Voting Shares upon the conversion. If any fractional interest in a Subordinate Voting Share would, except for the provisions of this Section 6(i), be deliverable upon the conversion of any Conversion Amount, the Borrower shall, in lieu of delivering any share certificate of fractional interest, satisfy the fractional interest by paying to the Lender an amount of lawful money of the United States equal (computed to the nearest whole cent, with one-half of a cent being rounded up) to such Conversion Amount remaining outstanding after so much of such Conversion Amount as may be converted into a whole number of Subordinate Voting Shares has been so converted.

(j) The Borrower shall, from time to time immediately after the occurrence of any event which requires an adjustment or re-adjustment as provided in Section 6(f) or Section 6(g), deliver a certificate of the Borrower to the Lender specifying the nature of the event requiring the same and the amount of the necessary adjustment and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based.

(k) The Borrower shall give written notice to the Lender of its intention to fix a record date for any event mentioned in Section 6(f) or Section 6(g) which may give rise to an adjustment in the Conversion Price, and, in each case, the notice shall specify the particulars of the event and the record date and the effective date for the event; provided that the Borrower shall only be required to specify in the notice such particulars of the event as shall have been fixed and determined on the date on which such notice is given. Such notice shall be given not less than 10 days prior to the applicable record date.

(l) The Borrower covenants that it will at all times (i) reserve and keep available out of its unissued and otherwise unreserved Subordinate Voting Shares, solely for the purpose of enabling it to issue Subordinate Voting Shares as required hereunder, (ii) use its best efforts to maintain a listing and posting for trading for the Subordinate Voting Shares on the TSXV, and (iii) maintain its status as a reporting issuer or the equivalent in all applicable provinces of Canada. The Borrower covenants that all Subordinate Voting Shares so issuable and deliverable shall, upon issuance in accordance with the terms hereof, be duly and validly authorized and issued and fully paid and non-assessable.

7. Change of Control

(a) In the event that any of the following events occur without the prior written consent of each of the Lenders, such events being: (i) a transaction involving the acquisition of voting control or direction over 50.0% or more of the Subordinate Voting Shares or multiple voting shares of the Borrower and securities convertible into or carrying the right to acquire Subordinate Voting Shares, or multiple voting shares (ii) any sale of assets outside the ordinary course of business or the sale of any operating businesses and spectrum licenses by the Borrower, or its Direct Subsidiaries or Indirect Subsidiaries, or (iii) any merger, amalgamation, plan of arrangement or purchase of assets outside the ordinary course of business including any purchase of businesses or spectrum licenses by the Borrower, or its Direct Subsidiaries or Indirect Subsidiaries (all such events being a "**Change of Control**"), then, the Borrower shall be required to offer to prepay this note and the Other Notes pursuant to Section 2(e) (including the Prepayment Amount), plus accrued and unpaid interest (including any Additional Amounts), if any, to, but not including, the purchase date.

(b) For greater certainty, the provisions of this Section 7 will in no way affect the Lender's rights to convert the principal amount evidenced by this note pursuant to Section 2 and Section 6.

8. Default.

(a) In this note, the occurrence of each and any of the following events shall constitute a "**Default**":

(i) The Borrower fails to pay any amount due to the Lender under this note when such amount becomes due and payable and, in the case of interest only (including any Additional Amounts), such failure remains unremedied for 5 business days;

(ii) The Borrower fails to perform, observe or comply with any other term, covenant, condition or provision of this note and such failure remains unremedied for 15 business days following receipt of a notice of such failure from the Lender;

(iii) Any judgment or order for the payment of money in excess of TWO-HUNDRED FIFTY THOUSAND DOLLARS (US$250,000) is rendered against the Borrower or any of its subsidiaries and either (i) enforcement proceedings have been commenced by a creditor upon the judgment or order, or (ii) there is any period of 15 consecutive days during which a stay of enforcement of the judgment or order, by reason of a pending appeal or otherwise, is not in effect;

(iv) The Borrower or any of its subsidiaries (i) becomes an "insolvent person" (as that term is defined in the *Bankruptcy and Insolvency Act* (Canada)), (ii) admits in writing its inability to pay its debts generally or makes a general assignment for the benefit of creditors, (iii) institutes or has instituted against it any proceeding seeking (A) to adjudicate it a bankrupt or insolvent, (B) liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors including any plan of compromise or arrangement or other corporate proceeding involving its creditors, or (C) the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or for any substantial part of the Borrower's or any of its subsidiaries' properties and assets, and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of the Borrower's or its subsidiaries' properties and assets) occurs, or (iv) takes any corporate action to authorize any of the above actions;

(v) The Borrower or any of its subsidiaries fails to comply with the terms of any agreement or other document between the Borrower, any of the Borrower's subsidiaries, as the case may be, and the Lender and such failure remains unremedied for 15 business days following receipt of a notice of such failure from the Lender; or

(vi) The Borrower defaults on its obligations under the Other Notes to one or both of the other Lenders.

(b) If a Default occurs, then the whole of the principal amount of this note remaining unpaid (to be repaid in cash equal to the Cash Principal Payment Amount), a Prepayment Amount calculated pursuant to Section 2(e) and all accrued and unpaid interest (including any Additional Amounts) shall be immediately due and payable.

9. Transferability

This note and all rights of the Borrower and Lender hereunder and related security are transferrable at any time by the Lender to J. D. Craig Holdings Inc. This note is not a negotiable instrument.

10. Legends

(a) Prior to January _____, 2014, upon the original issuance of any share certificate representing Subordinate Voting Shares issued in accordance with this note, all certificates representing Subordinate Voting Shares, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JANUARY _____, 2014.

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL JANUARY _____, 2014

(b) Upon the original issuance of any share certificate representing Subordinate Voting Shares issued in accordance with this note to a U.S. Person (as defined in the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and until such time as it is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities laws, all certificates representing Subordinate Voting Shares, and all certificates issued in exchange therefor or in substitution thereof, shall bear the following legend (the "**U.S. Legend**"):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT

UNDER THE U.S. SECURITIES ACT IN A TRANSACTION COMPLETED IN ACCORDANCE WITH THE REGISTRATION STATEMENT, (B) TO THE CORPORATION, (C) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (D) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (E) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AFTER, IN THE CASE OF TRANSFERS PURSUANT TO CLAUSES (C) OR (E), THE SELLER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE CORPORATION TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

Provided, that if, at any time, the Borrower is a "foreign issuer" as defined in Regulation S under the U.S. Securities Act, the note or underlying Subordinate Voting Shares are being sold in compliance with the requirements of Rule 904 of Regulation S under the U.S. Securities Act and in compliance with local laws and regulations, the U.S. Legend may be removed by providing a declaration to the registrar and transfer agent for the note or underlying Subordinate Voting Shares, as applicable, to the following effect (or as the Borrower may prescribe from time to time), together with such other evidence of compliance with Rule 904 of Regulation S under the U.S. Securities Act as the Borrower or the registrar and transfer agent for the applicable securities may reasonably require, which may include, without limitation, an opinion of counsel of recognized standard in form and substance reasonably satisfactory to the Borrower:

The undersigned (a) acknowledges that the sale of ______________ [note] [subordinate voting shares] of the Corporation to which this declaration relates, represented by certificate number ___________, is being made in reliance on Rule 904 of Regulation S under the U.S. Securities Act and (b) certifies that (1) the undersigned is not an "affiliate" (as that term is defined in Rule 405 under the U.S. Securities Act) of the Corporation, (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States or (B) the transaction was executed on or through the facilities of the TSX Venture Exchange and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the U.S. Securities Act), (5) the seller does not intend to replace such securities with fungible unrestricted securities and (6) the contemplated sale is not a transaction, or part of a series of transactions, which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the U.S. Securities Act. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.

Provided further, that, if any of the note or underlying Subordinate Voting Shares are being sold pursuant to Rule 144 under the U.S. Securities Act, the U.S. Legend may be removed by delivery of an opinion of counsel of recognized standing in form and substance satisfactory to the Borrower, to the effect that the U.S. Legend is no longer required under applicable requirements of the U.S. Securities Act or state securities laws.

11. Notice

Any notice, direction or other communication to be given under this note shall, except as otherwise permitted, be in writing and given by delivering it or sending it by facsimile or other similar form of recorded communication addressed:

(i) to the Borrower at:

[redacted]

Attention: Gary Birkland

Telephone: [redacted]

Facsimile: [redacted]

(ii) to the Lender at:

[redacted]

Attention: J. Drew Craig

Telephone:

Facsimile: [redacted]

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a business day and such delivery was made prior to 4:00 p.m. (local time in the place of receipt), otherwise on the next business day, (ii) transmitted by facsimile or similar means of recorded communication on the business day following the date of transmission. Any party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

12. General

(a) This note shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. The Borrower shall not be permitted to assign this note absent the prior written consent of the Lender.

(b) The Borrower and all endorsers of this note waive presentment for payment and notice of non-payment and agree and consent to all extensions or renewals of this note without notice.

(c) No failure or delay by the Lender in exercising any right, power or privilege under this note shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No waiver of any obligation of the Borrower under this note shall be effective unless it is in writing signed by the Lender.

(d) In the event that any provision of this note is determined to be invalid, illegal or unenforceable, in whole or in part, such invalidity, illegality or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall remain in full force and effect.

(e) The headings of the sections of this note are inserted for convenience of reference only and shall not be deemed to constitute a part hereof.

(f) This note shall be governed by and construed in accordance with the laws of the Province of Manitoba and the laws of Canada applicable therein.

(g) Upon the indefeasible repayment in full of the principal amount of this note and all accrued and unpaid interest owing pursuant this note and any Additional Payment and/or Additional Amounts, whether such amounts are satisfied in cash or in Subordinate Voting Shares, if applicable, this note and any guarantees and security documents provided by the Borrower and its subsidiaries in connection with this note shall be deemed to automatically terminate and be of no further force or effect without prejudice to liability for prior breaches, except for those provisions herein that expressly survive termination.

13. Judgment Currency

If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to the Lender in one currency (the "**Original Currency**") into another currency (the "**Judgment Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Lender could purchase the Original Currency with the Judgment Currency on the Business Day preceding that on which final judgment is paid or satisfied.

14. Amendments

This note may be amended with the consent of each of the Lenders and the Borrower in writing.

(Signature Page to Follow)

IN WITNESS WHEREOF the Borrower has executed this note.

CRAIG WIRELESS SYSTEMS LTD.

By: ______________________________

Authorized Signing Officer

ACKNOWLEDGED and agreed

______________________________ ______________________________

Witness **J. Drew Craig**

(Convertible Note - Signature Page)

IN WITNESS WHEREOF the Borrower has executed this note.

CRAIG WIRELESS SYSTEMS LTD.

By:

Authorized Signing Officer

ACKNOWLEDGED and agreed

Witness

J. Drew Craig

(Convertible Note - Signature Page)

SCHEDULE "A"
SENIOR INDEBTEDNESS

The indebtedness under this note shall be first ranking to all other indebtedness of the Borrower other than:

Nil.

SCHEDULE "B"
LIST OF PERMITTED LIENS

"Permitted Liens" include:

(a) liens in respect of statutory prior claims, but only if the obligations secured by such liens are paid when due;

(b) liens for assessments or governmental charges or levies which are paid when due or, if overdue, the validity or amount of which is being contested in good faith by appropriate proceedings and in respect of which adequate steps have been taken (which may include cash being paid to or pledged with the relevant governmental authority) to prevent penalties from being imposed, interest from accruing and the commencement or continuation of enforcement proceedings and adequate reserves in accordance with Canadian GAAP have been recorded on the consolidated balance sheet of the Borrower and adequate funds have been set aside to remove such liens;

(c) construction, mechanics', carriers', warehousemen's storage, repairers' and materialmen's liens; provided that the obligations secured by such liens are paid when due and no lien has been registered against any assets of the Borrower or any subsidiary or if a lien has been registered, same is being vigorously defended in good faith by appropriate proceedings and appropriate steps have been taken to prevent any disposal of such assets;

(d) liens arising from court or arbitral proceedings, provided that the claims secured thereby are being contested in good faith by the Borrower or a subsidiary, as applicable, execution thereon has been stayed and continues to be stayed and such liens do not, in the aggregate, detract from the value of any asset of the Borrower or any subsidiary or impair the use thereof in the conduct of business of such party, other than in a manner that is immaterial;

(e) deposits of cash securities equal to or under $50,000 in aggregate in connection with any appeal, review or contestation of any security or lien, or any matter giving rise to any security or lien, described in paragraph (d) above;

(f) any pledge of cash equal to or under $50,000 in aggregate by the Borrower or any subsidiary to any insurer, guarantor, third party contractor, public utility or governmental authority made in the ordinary and usual course of business to secure the performance of bids, tenders, contracts (other than contracts of debt), leases, customs duties and other similar obligations;

(g) liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of combination of accounts of similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts or other funds maintained with a financial institution, provided that such liens (i) do not relate to any deposit account that is a dedicated cash collateral account which is subject to restrictions against access by the depositor or account holder, (ii) do not relate to any deposit account intended by the depositor or account holder to provide collateral to the depository institution and (iii) are not intended directly or indirectly to secure the payment or performance of debt or any other obligations;

(h) liens created in favor of the Lender; and

(i) such other liens securing such obligations as may be approved by the Lender in writing from time to time.