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Before Market Opens

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NovAtel Reports Results for the First Quarter 2001

(Calgary, Alberta, Canada, April 19, 2001)— NovAtel Inc. (NASDAQ: NGPS), a global positioning systems manufacturer, today announced results for the first quarter ended March 31, 2001.

Revenues in the first quarter 2001 were CDN \$7.0 million (US \$4.5 million) compared to CDN \$6.3 million (US \$4.0 million) in the same period a year ago and CDN \$5.8 million (US \$3.7 million) in the immediately preceding quarter. The Company is reporting a net loss from continuing operations for the first quarter 2001 of CDN \$296,000 (US \$189,000) or CDN \$0.04 (US \$0.025) per share compared with a net loss from continuing operations of CDN \$507,000 (US \$323,000) or CDN \$0.07 (US \$0.04) per share in the same period a year ago.

“I’m pleased with our resumed revenue growth of 11% over the first quarter of 2000, and 21% over our most recent quarter,” stated David E. Vaughn, President and Chief Executive Officer. “Our Aerospace and Defense business, driven primarily by NovAtel’s continued participation in the EGNOS program, contributed to this revenue growth. EGNOS is the European Geostationary Navigation Overlay System managed by the European Space Agency, which is the European equivalent of the US FAA Wide Area Augmentation System (WAAS).

“Our Special Applications business, which comprised close to half of our total revenue in the first quarter, remained healthy, with growing customer demand for our complete line of OEM receivers and antenna products,” continued Vaughn. “Revenue in NovAtel’s Special Applications business declined 6% from the first quarter a year ago, but increased 19% over the fourth quarter of 2000.

“Finally, in our Geomatics business, revenue was up 23% from the same period a year ago and 11% from the fourth quarter of 2000,” concluded Vaughn.

The Company will have a conference call this afternoon at 4:30 p.m. E.T. Participants may access the NovAtel Inc. conference call by dialing 1-888-313-7044 (North America) or 212-346-6577 (International). The conference call will also be available live on the web at <http://webcast.themeetingson.com/webcast.jsp?reservation=18615946>.

A replay of the conference call will be available until April 26, 2001 by dialing 1-800-558-5253 and entering reservation number 18615946, or until May 19, 2001 at the web address noted above.

NovAtel Inc. designs, markets and supports a broad range of products that determine precise geographic locations using the Global Positioning System (“GPS”). NovAtel’s GPS products are used principally for applications in high-end markets such as the surveying, geographic information systems, aviation, marine, mining and machine control, agriculture and precise timing markets. For further information please visit our website at <http://www.novatel.ca>.

Certain statements in this news release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, or developments in the Company's industry, to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, operating results of subsidiaries and joint ventures, establishing and maintaining effective distribution channels, certification and market acceptance of the Company's new products, impact and timing of large orders, pricing pressures in the market and other competitive factors, maintaining technological leadership, timing of revenue recognition in connection with certain contracts, the ability to maintain supply of products from subcontract manufacturers, the procurement of components to build products, and the impact of industry consolidations, together with the other risks and uncertainties described in public filings.

NOVATEL INC.

CONSOLIDATED BALANCE SHEETS
(in Canadian \$ thousands)

	March 31. 2001	December 31. 2000
ASSETS		
Current assets:		
Cash and short term investments.....	\$ 4,205	\$ 6,055
Accounts receivable.....	5,179	4,246
Related party receivables.....	1,269	1,165
Related party notes receivable.....	1,577	1,426
Inventories.....	6,688	6,532
Prepaid expenses and deposits.....	477	401
Total current assets.....	19,395	19,825
Capital assets.....	3,404	3,592
Intangible assets.....	2,739	2,853
Deferred development costs.....	2,550	2,560
Total assets.....	\$ 28,088	\$28,830
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities.....	\$ 5,137	\$ 5,811
Loan advances.....	96	—
Related party payables.....	592	568
Notes payable.....	1,577	1,426
Deferred revenue.....	242	245
Provision for future warranty costs.....	284	268
Capital lease obligation – current portion.....	228	228
Total current liabilities.....	8,156	8,546
Deferred gain on sale/leaseback of capital assets.....	901	935
Capital lease obligation – long-term portion.....	251	307
Total liabilities.....	9,308	9,788
Non-controlling interest.....	73	73
Shareholders' equity:		
Capital stock.....	35,648	35,614
Deficit.....	(16,941)	(16,645)
Total shareholders' equity.....	18,707	18,969
Total liabilities and shareholders' equity.....	\$ 28,088	\$28,830

NOVATEL INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(in Canadian \$ thousands, except per share data)

	<u>Three months ended</u>	
	<u>March 31,</u> <u>2001</u>	<u>March 31,</u> <u>2000</u>
Revenues	\$ 7,000	\$ 6,293
Cost of sales.....	<u>3,717</u>	<u>3,110</u>
Gross profit.....	<u>3,283</u>	<u>3,183</u>
Operating expenses:		
Research and development.....	1,881	1,932
Selling and marketing.....	929	994
General and administration.....	<u>892</u>	<u>900</u>
Total operating expenses	<u>3,702</u>	<u>3,826</u>
Operating loss.....	(419)	(643)
Interest income	51	76
Other income	<u>84</u>	<u>42</u>
Loss from continuing operations before income taxes.....	(284)	(525)
Provision for (recovery of) income taxes	<u>12</u>	<u>(18)</u>
Net loss from continuing operations.....	(296)	(507)
Net income from discontinued operations	<u>—</u>	<u>13</u>
Net loss.....	<u>\$ (296)</u>	<u>\$ (494)</u>
Net income (loss) per share (basic):		
Continuing operations	\$ (0.04)	\$ (0.07)
Discontinued operations.....	<u>0.00</u>	<u>0.01</u>
Net income (loss) per share.....	<u>\$ (0.04)</u>	<u>\$ (0.06)</u>
Weighted average shares outstanding (basic)	<u>7,689</u>	<u>7,674</u>
Net income (loss) per share (fully-diluted):		
Continuing operations	\$ (0.04)	\$ (0.07)
Discontinued operations.....	<u>0.00</u>	<u>0.01</u>
Net income (loss) per share.....	<u>\$ (0.04)</u>	<u>\$ (0.06)</u>
Weighted average shares outstanding (fully-diluted)	<u>8,521</u>	<u>8,708</u>