

- For Immediate Release -

Northern Digital Inc. Announces Joint Venture with Measurand Inc.

Investment in Canadian Company Will Give Northern Digital New Fiber Optic Spatial Measurement Solution

WATERLOO, October 26 / -- Northern Digital Inc. (NDI) has today announced the formation of a key strategic alliance with Measurand Inc., a world-leading innovator in fiber optic measurement technologies. Finalized today, the technology licensing and development agreement provides NDI with use of Measurand's technology in Northern Digital's spatial measurement markets including exclusive rights to the medical market. NDI has also made a financial investment in Measurand for which it will receive a 10 per cent equity holding in the Atlantic Canada based company. Finally, the agreement calls for a long-term technical collaboration aimed at advancing the basic technology and developing augmented product solutions.

This latest acquisition provides an entirely new dimension to NDI's array of measurement instrumentation. The Measurand fiber optic technology does not require a line of sight between the target and sensor. The novel approach also provides a measurement method which is unaffected by interference from surrounding objects. "Adding this technology to Northern Digital's optical and magnetic lines will create an impressive family of stand alone and hybridized measurement solutions," explains NDI Vice-president, Paul Clausen.

Northern Digital, established in 1981, has a long history in the development and manufacture of specialty metrology systems. David Crouch, President of NDI says, "The Measurand agreement, like our magnetic acquisition last year, creates exciting new market opportunities for Northern Digital. But it is our traditional customers who truly benefit from these new alliances - they are assured of NDI's long-term commitment to the future of advanced spatial measurement solutions."

Northern Digital Inc., headquartered in Waterloo, Ontario, Canada, is the world's leading provider of advanced spatial measurement technology for such diverse applications as aerospace, robotics, human motion measurement, and the computer assisted medical device market. Its Internet address is <http://www.ndigital.com>. Measurand Inc. is located in Fredericton, New Brunswick, Canada and focuses on the development of measurement technologies employing fiber optics. Measurand is on the Internet at www.measurand.com.