

RuralCom
Corporation

Suite 500, Park Place
666 Burrard Street
Vancouver, B.C. V6C 2X8
(604) 682 – 7582 tel
(604) 909 – 1151 fax

July 4, 2006

Neil Allwood
Spectrum Manager
Industry Canada
Pacific Region
13401 – 108th Avenue, Room 1700
Surrey, B.C. V3T 5V6

**Subject: Application for the Provision of Cellular Services
by New Parties per Industry Canada RP-019**

Dear Mr. Allwood:

This letter of intent is submitted in accordance with Industry Canada, Policy for the Provision of Cellular Services by New Parties as established in Radio Systems Policy document RP-019, dated March 1998.

RuralCom Corporation proposes to provide nearly fully contiguous cellular coverage to the Alaska Highway corridor from a point north of Wonowon, B.C. to Beaver Creek, Y.T. near the Alaska - Yukon Territory Border. The areas proposed are currently unserved or underserved by Rogers Wireless Inc. Local residents, commercial long-haul trucking, vacationers and the traveling public are all denied access to full digital roaming along this important highway corridor. RuralCom submits that the proposed cellular service will greatly enhance commerce, public safety and the general welfare of local residents and travelers transiting the area.

RuralCom has engaged in discussions with Rogers since March 2005 until recently and has made a good faith effort to engage with Rogers per Industry Canada, Policy for the Provision of Cellular Services by New Parties, RP-019. RuralCom Corporation has provided written notice of this filing to Rogers Wireless, Inc., as a courtesy.

A map (two pages) is attached (Drawing #673100) for the proposed service area and it is anticipated that additional optimization of the coverage area will be achieved as the proposed network moves to the implementation stage.

RuralCom Corporation seeks approval to employ the entire Sub-band A (824-835 MHz paired with 869-880 MHz, and 845-846.5 MHz paired with 890-891.5 MHz). RuralCom Corporation will construct and place the proposed network facilities in service no later than 12 months after licence grant.

RuralCom Corporation is a privately held Canadian-owned business and is not an "affiliate" as defined within subsection 36 (3) of the Telecommunications Act. Upon approval, RuralCom is eligible and will operate as a Canadian carrier within the meaning and requirements of the Telecommunications Act.

Please contact the undersigned directly with respect to this letter of intent at (604) 682-7582.

Sincerely,

Robert L. Hillman
Chairman, Chief Executive Officer