

COASTAL RESEARCH ASSOCIATES, LLC

RESEARCH REPORT

China Wireless Communications, Inc.

February 17, 2004

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Coastal Research Associates, LLC
Research Report

CHINA WIRELESS COMMUNICATIONS, INC.
Sector: Telecommunications/Networking
Symbol: CWLC (OTC-Bulletin Board)

Company Brief:

Golden, Colorado-based [China Wireless Communications, Inc.](#) (CWLC) is a development stage company focused on the development, sales and marketing of broadband networks and services in the People's Republic of China (China). China's economy is expanding at a rate faster than the worldwide average and most experts expect that the Chinese economy will continue to expand at an above average rate for several years to come. CWLC is concentrating its efforts on solving the "last mile" bottleneck challenge facing the Chinese telecommunications markets. The largest Chinese telecommunications companies have invested billions of dollars to develop an Internet backbone capable of delivering high-speed data and voice services throughout the country. Businesses and governments in China have built-out local area networks (LANs) and wide area networks (WANs) in order to be able to access the broadband capabilities of the country's Internet backbone to support the bandwidth intensive applications they require to become competitive in the global economy. However, the Internet backbone is underutilized in most of China due to the antiquated nature of the technology used by Chinese corporate and government networks to connect to it. With China presently the world's #2 market for wireless telephones and the #3 Internet market and with experts predicting that it will shortly become the #2 Internet market, there appears to be a large opportunity for companies that can provide solutions to challenges faced by Chinese companies as the country continues to modernize its telecommunications networks and integrate itself into the global economy.

CHINA WIRELESS COMMUNICATIONS, INC. RECENT NEWS HEADLINES

Corporate Information

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CEO:	Brad Woods
Vice President:	Pedro E. Racelis
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Share Information

Last Closing Price (2/13/2004)	\$0.68
52-Week Share Price Range	\$0.03 - \$1.12
Total Shares Out.	27,123,798
Market Capitalization (millions)	\$18.44
Total Debt (As of 9/30/2003)	\$1,056,310
Tangible Book Value Per Share	NM
Price to Tangible Book	NM
Price to Earnings (TTM)	NM

LATEST DEVELOPMENTS

- On January 27, 2004, CWLC announced that it had signed a distributorship agreement with Beijing XZHX Tech Development Company Limited. The agreement gives CWLC the right to provide a number of services including domain name registration, virtual hosting, enterprise email solutions, and other network-related software services that expand its product line and customer reach by offering a package of services to existing and potential customers.
- On January 13, 2004 CWLC announced that it is deploying a high-speed broadband fiber network to extend its coverage area for its fixed wireless broadband network system in Beijing. This network will add additional capacity that will support up to 100,000 business-class broadband applications, enhancing CWLC's In-Touch Access product line.
- On December 17, 2003, CWLC announced that it had entered into an agreement with Beijing Shangdi Real Estate Management Company and its properties to provide broadband network connection options.
- On December 3, 2003, CWLC announced that it signed a strategic alliance agreement with a Beijing-based ISP -- Beijing Television Interway Communications and Technology Limited Corporation (BTICT). CWLC and BTICT will work together to market and sell broadband access services. This agreement follows CWLC's announcement in November of the signing of a strategic alliance agreement with another ISP partner.
- On November 20, 2003 CWLC announced today that it signed a strategic alliance agreement with a large Beijing-based ISP -- Beijing Sinnet Digital Technology Limited Company [Beijing Sinnet]. Using their respective resources, CWLC and Beijing Sinnet will work together to market and sell broadband access services.
- On October 28, 2003, CWLC announced an agreement with MCI under which CWLC will add MCI International's ATM [asynchronous transport mode] services in China to reach North America, South Pacific, Asian and European markets.

THE COMPANY

BACKGROUND

CWLC was originally incorporated as AVL Information Systems Ltd. ("AVL") in Nevada on March 8, 1999 under the name AVL SYS International Inc. At the time, AVL was a Canadian public company that owned and licensed certain technology and automatic vehicle location systems. AVL and its principal officers and directors incorporated CWLC to take advantage of what they perceived to be the benefits of a U.S. publicly traded company.

CWLC entered into a worldwide exclusive distribution agreement with AVL, covering all of the products manufactured by AVL, on September 30, 2001. These products were automatic vehicle location systems that integrate global positioning system technology, cellular-wireless communications and the Internet to enable companies to efficiently manage their mobile resources with location-relevant and time-sensitive information.

CWLC realized that the level of sales of AVL's products that it was generating were not sufficient to sustain the expense of operating a publicly traded company. CWLC's exclusive distribution agreement with AVL was terminated effective December 31, 2002 and CWLC began to search for other business opportunities at that time. On March 22, 2003, CWLC acquired all of the issued and outstanding shares of Strategic Communications Partners, Inc., a Wyoming corporation ("Strategic"), by issuing a total of 19,000,000 restricted shares of its common stock to the shareholders of Strategic. After the acquisition was completed, Strategic's shareholders as a group owned approximately 88.4% of the outstanding common stock of CWLC.

CWLC entered into an assignment and assumption agreement with AVL right before the closing of the acquisition of Strategic. Under this agreement, CWLC transferred its business to AVL and AVL assumed CWLC's liabilities that related to the transferred business. At this time, CWLC began to develop a new business plan to provide telecommunications products and services in China.

CWLC TODAY

Today CWLC is a development stage company primarily focused on development and marketing efforts to provide broadband access services to carriers and their clients in China. According to its business plan, CWLC believes that it can provide "last mile" broadband access utilizing a combination of digital broadband radio technology and leased fiber backbones by deploying a low-cost, flexible, high-performance, broadband access network.

In its quest to provide a solution to the "last mile" bottleneck in the China, CWLC is initially targeting its services at Beijing, which is scheduled to host the summer Olympics in 2008, with plans for additional rollouts in other Chinese cities as time progresses. Based on the size of the market for telecommunications in China and the high growth rate of the Chinese economy, CWLC is attempting to capture market share in its target markets.

THE MARKET OPPORTUNITY

CHINA SLEEPS NO MORE

It has been reported that Napoleon Bonaparte once said that the world should let China sleep because he believed that if China were to be awakened, it would dominate the world. Over the past couple of decades, and especially during the past few years, there is abundant evidence that China is waking up quickly.

China, with a population approaching 1.3 billion people, has experienced rapid economic expansion over the last several years. According to the Energy Information Administration of the U.S. Department of Energy (EIA), much of this economic growth has occurred in urban coastal regions, particularly in the Southeastern part of China, as many people from poorer rural areas have flocked to large cities in search of employment and a better life.

Although the Chinese economy is a mixed bag of both state-owned and private businesses, many state-run businesses have been transformed into private firms over the last few years. Additionally, over the past several years foreign investors have been given preferable tax, tariff, and investment treatment, especially in the so-called "special economic zones" designated by the Chinese government. (EIA)



Source: Energy Information Administration, U.S. Department of Energy

A change in China's political leadership in 2003 and China's entry into the World Trade Organization (WTO) in 2001 have had a major impact on Chinese government policy towards business. Most importantly, the Chinese government has pledged to implement a more progressive policy towards trade and investment.

According to Australia Department of Foreign Affairs and Trade (ADFAT), the Chinese economy grew by 8% in 2002, largely as a result of continued government spending, strong retail sales, increased foreign direct investment (FDI) and continued growth in net exports. Interestingly enough, although there was continued strong economic growth, consumer prices actually declined in 2002.

Several areas of the Chinese economy posted severe declines in the first few months of 2003 due to outbreaks of severe acute respiratory syndrome (SARS), but the economy as a whole seems to have made it through the SARS outbreak without sustaining any lasting damage. According to ADFAT, Chinese real GDP grew from 6.7 percent in the second quarter of 2003 to 9.1 percent in the third quarter of 2003.

CHINA'S ECONOMIC OUTLOOK

China's economy appears to have very promising near-term potential. Furthermore, China's State Information Centre is forecasting that the Chinese economy will expand at a pace of nearly 8.5% in 2004. Although forecasts by economists outside of China aren't quite as rosy as the official numbers propagated by the Chinese government, most of these economists are still looking for very strong continued economic growth. According to ADFAT, the IMF and the Asian Development Bank predict that the Chinese economy will grow at still torrid rate of greater than 7.5% in 2004.

The *People's Daily* reported in November of 2003 that economists who attended the Economic Growth Forum in Suzhou in east China's Jiangsu Province predict that China should be able to maintain above average rates of economic growth over the next fifteen to twenty years. Most experts seem to agree that China may be able to grow its gross domestic product (GDP) in the range of 7% – 9% during this time period, compared to worldwide GDP growth that is predicted to be in the low single digits during the same period.

THE CHINESE TELECOMMUNICATIONS MARKET

By all accounts, China's telecommunications market continues to expand rapidly. According to the U.S. Commercial Service of the U.S. Department of Commerce (USCS), Chinese telecommunications carriers made aggregate investments of \$32 billion in infrastructure in 2001, which is an increase of 15.3 % over 2000. China now owns the world's largest fixed-line and mobile networks in terms of both network capacity and number of subscribers.

The major reasons for the explosive growth of China's telecommunications sector are the country's entry into the WTO in December of 2001 and economic and industry reforms made by the Chinese government. Furthermore, Beijing's hosting of the 2008 Olympic Games should create large opportunities for telecommunications companies. According to the USCS, Beijing is expected to invest billions of dollars to improve its IT and telecommunications infrastructure over the next few years to guarantee that the Games are successful. The USCS believes that industry restructuring, especially the split of the division of the fixed-line giant China Telecom into two separate companies, will bring a number of new growth opportunities for companies outside of the traditional Chinese government regulated monopolies.

It should be noted that despite the tremendous growth in the Chinese telecommunications markets, it has been reported that there are experts who believe that the Chinese telecommunications market remains extremely challenging and difficult. Declining capital expenditures (CAPEX) in 2002 by Chinese telecommunications carriers have apparently caused some analysts to be concerned regarding the future

growth prospects of the Chinese telecommunications market as a whole. In addition, there are always uncertainties regarding the Chinese government's future reform policies.

According to a recent article in *Asia Business Intelligence* (ABI), this concern generally stems from two transitions that are currently ongoing in the Chinese telecommunications industry. The first transition involved greater competition and decreased state authority over the market. The second transition is from a period of near hyper growth to a period of more level growth.

Despite these apparent challenges however, the Chinese telecommunications market still appears to hold many opportunities for international telecommunications firms who are attempting to exploit certain market niches. In order to be successful over the long-term, it would appear that it is very important that these firms understand which market segments promise the best growth opportunities.

In short, China's entry into the WTO has opened up China's telecommunications market to foreign investors in a huge way. Based on the WTO agreements, foreign firms hoping to compete in this market must find a partner in order to provide telecommunications services in China. It is therefore imperative for foreign firms to locate Chinese partners that are experienced and that have good relationships.

According to ABI, to be successful foreign investors must also understand the mindset of the Chinese government regarding telecommunications industry deregulation, China's fulfillment of its WTO obligations, the competitive environment and growth opportunities in various market segments, and the Chinese telecommunications carriers.

With the growth of the market in the aggregate appearing to level off, foreign firm must be able to identify where the capital expenditures are going to take place. According to ABI, the broadband Internet market will be a high growth area for investment in the next couple of year and the broadband services market has been very strong in recent years. ABI has reported that according to the Chinese Ministry of Industry Information, China's broadband users grew by 230% to 6.6 million in the second half of 2002. These numbers seem to suggest that the broadband space may be one of the better places to be for foreign firms that are hoping to capitalize on the growth of the Chinese telecommunications markets.

TECHNOLOGY

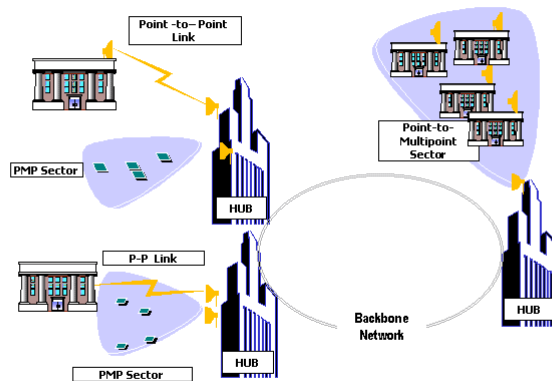
CWLC'S TECHNOLOGY

Wireless fiber is a term used to describe digital broadband radio systems that deliver the broadband capacity and reliability of fiber-optic networks. More importantly wireless fiber delivers this capacity and reliability without having to lay fiber optic cables in the ground, which can be very costly and may take a long time to deploy.

The wireless fiber technology used by CWLC uses two types of configured radio systems:

- 1) Point-to-point. In point-to-point networks, there is a dedicated "link" between two points, with a radio system consisting of indoor radio electronics and an outdoor antenna, installed on each end of the link. One end of the link is typically a building that is a "hub" site consisting of multiple antennas. Antennas at the hub site each point distinctly to an antenna located on an end-user building at the other end of the link. These end user buildings appear to be "spokes" coming from, or connecting to, the hub.
- 2) Point-to-multipoint. Wireless point-to-multipoint broadband networks share the same spectrum among their end users and reduce capital expenditures because they allow transmissions between multiple customer antennas and a single base station antenna. A "base station" radio system is located on one end of the network and acts as an aggregation point. The "base station" radio system is often co-located on a point-to-point "hub" site and may contain other point-to-point and point-to-multipoint radio systems. In wireless point-to-multipoint networks, end-user buildings have a radio system (electronics and antenna) called a "subscriber unit". Multiple subscriber units within a "sector" are pointed toward one base station, where the traffic is aggregated.

Point-to-point and Point-to-multipoint Systems



Source: China Wireless Communications, Inc.

The following characteristics of CWLC's technology appear to give the Company a strategic competitive advantage in terms of its efforts to solve the "last mile" bottleneck in China:

- 1) **Cost.** CWLC's fixed wireless digital broadband radio network will cost a fraction of what it would cost to deploy fiber optic cables;
- 2) **Lowered risk.** CWLC's broadband fixed wireless network lowers risk because CWLC will deploy its system based on subscriber demand instead of incurring a large amount of fixed costs and hoping subscribers materialize, which is a business strategy that ultimately led to the demise of many of the competitive local exchange carriers (CLECs) in the U.S. over the past few years; and
- 3) **Speed to market.** CWLC's technology allows it to enter markets seamlessly and rapidly instead having to take the time to deploy large amounts of fiber in the ground.

FINANCIALS

Balance Sheet on September 30, 2003

Cash and equivalents	\$56,354	Current liabilities	\$1,015,310
Other current assets	\$209,443	Other liabilities	\$41,000
Total current assets	\$265,797	Total liabilities	\$1,056,310
Fixed and other assets	\$230,325	Stockholders' deficit	(\$560,188)
Total assets	\$496,122	Total liabs. and equity	\$496,122

CWLC had a working capital deficit of \$790,513 on September 30, 2003, of which \$56,354 was in the form of cash and cash equivalents, \$209,443 in other current assets, \$825,710 in accrued liabilities, \$41,000 in convertible debt and \$189,600 in notes payable. CWLC's working capital deficit must be addressed in the near-term so as to avoid interruptions to the Company's business operations. In our opinion it is necessary for CWLC to locate outside capital as soon as possible to address this working capital deficit and to make further strides towards executing its business plan.

**Income Statement for the Nine-Month
Period Ended September 30, 2003**

Operating revenue	\$17,341
Cost of sales	\$13,572
Gross Profit	\$3,769
General and administrative expenses	(\$2,420,558)
Depreciation	\$6,707
Operating loss	(\$2,423,496)
Non-operating expenses	(\$220)
Income taxes	----
Net loss	(\$2,423,716)
Basic and fully diluted net loss per common share	(\$0.1118)

During the nine-month period ended September 30, 2003 operational expenses were \$2,427,265. Of this amount, \$1,413,076 was costs recorded for common stock issued for compensation (a non-cash item). We do not anticipate that CWLC will be able to generate substantial revenue in 2004 or achieve profitability for on an operating basis for several quarters. During the third quarter of 2003, CWLC continued to expand its network in Beijing and review opportunities in the local market. According to its public filings, CWLC has expended a great deal of effort into establishing and testing a variety of equipment to provide its services from different vendors in Beijing, China.

Statements of Cash Flows for the Nine-Month Period Ended Sept. 30, 2003

Net cash used for operating activities	(\$398,440)
Cash flows from financing activities	\$544,250
Net cash used for investing activities	(\$287,032)
Net increase (decrease) in cash and cash equivalents	(\$141,422)
Cash and cash equivalents - beginning of the period	\$197,576
Cash and cash equivalents – end of the period	\$56,354

CWLC used cash of \$398,440 for operating activities during the nine-month period ended September 30, 2003. CWLC used common stock issued as compensation amounting to \$1,413,076, which was the largest non-cash item that was adjusted to reconcile the net loss to net cash used in operations. CWLC \$287,032 for investing activities during the nine-month period ended September 30, 2003. Most of the cash used for investing activities relates to an acquisition cost for equipment used by the CWLC to provide its services to its customers.

RISK FACTORS

Readers of this report should be aware that there is substantial risk involved with any investment in CWLC. Development stage and early stage companies such as CWLC have a high business failure rate and are suitable only for high-risk oriented investors. Anyone considering an investment in CWLC should be able to bear a complete loss of his or her investment. Any decision to invest in CWLC should be minimally preceded by an extensive review of CWLC's business and operating plans, and a thorough analysis of the following risk factors:

(i) CWLC has a very limited operating history and it is extremely difficult to forecast whether or not CWLC will be successful in being able to execute its business plan. Furthermore, CWLC faces a number of risks encountered by early-stage companies including the uncertainty of market acceptance; the need to license and/or develop reliable and robust products and services that meet the demanding needs of potential customers; the need to establish marketing, sales and support organizations, as well as the distribution channels; the ability to anticipate and respond to market competition; the need to manage expanding operations; the dependence on wireless and digital carriers; and the dependence on technology which could become obsolete or out of date. CWLC's business strategy may not be successful, and the Company may not successfully address these risks; (ii) CWLC has not generated any revenues to date to fund its business and to support its ongoing expenses. We expect CWLC to incur additional losses for at least the next fiscal year and potentially longer. Since its inception, CWLC has never posted a profit and does not anticipate doing so for the foreseeable future. It will be necessary for CWLC to generate substantial revenues in order to become profitable and sustain profitability and CWLC will need to generate significant revenues to offset its cost of revenues, sales and marketing, research and development, and general and administrative expenses. It is possible that CWLC may never be able to achieve or sustain its revenue or profit goals; (iii) CWLC is severely undercapitalized and due to CWLC's inability to generate revenues at this point in time and for the foreseeable future, the Company relies extensively on external sources of financing. CWLC will need additional financing to continue business operations and the development of its business plan. If CWLC cannot obtain external financing, it is possible that the Company may be forced to cease operations which would likely cause investors in the Company's common stock to lose their entire investment; (iv) As of its last 10-Q filing, CWLC has an alarmingly large working capital deficit, meaning that current liabilities are much greater than current assets. A working capital deficit as large as this may signal that a company will have challenges meeting its credit obligations, which could lead to insolvency. A large portion of CWLC's working capital deficit appears to be a result of expenses that are being accrued. These accrued liabilities must be paid at some point in time or they may be converted into equity. If these accrued liabilities are converted into equity, CWLC's current common shareholders will experience dilution of their ownership. Furthermore, if CWLC becomes insolvent, it is very likely that the common shareholders will lose their entire investment, (v) CWLC is a "penny stock" due to the fact that among other factors the price of the Company's shares are below \$5.00 per share, the CWLC's net tangible assets are less than \$2 million, and the shares trade on the OTC Bulletin Board. Additionally, there is a limited market for CWLC's securities. Furthermore, a liquid market for CWLC's securities may never develop and it may be difficult for investors to dispose of shares of CWLC's stock due to the lack of liquidity; (vi) CWLC has entered into a number of transactions with its shareholders, officers, and directors which may represent a conflict of interest in certain situations. CWLC has issued shares of its common stock in exchange for the services of its officers, directors, and consultants which dilutes the ownership

percentages of the Company's current shareholders; (vii) CWLC's success depends heavily on its management team's ability to develop and maintain strategic relationships with vendors, partners, customers, etc. and any loss of key management personnel could have a large negative impact on CWLC's common stock price; (viii) CWLC faces competition from companies both inside and outside of China that possess substantially greater financial and managerial resources than CWLC which puts CWLC at a major competitive disadvantage; and (ix) There are further risks associated with doing business in China. It is difficult to forecast exactly what the future of the regulatory environment in China will be and there is no guarantee that CWLC will not be adversely affected by future regulatory rulings of the Chinese government.

Furthermore, CWLC faces a number of additional risks as detailed in its public filings with the Securities and Exchange Commission (the "Commission") and these risks are incorporated herein by reference. Information filed by CWLC with the Commission should be reviewed in its entirety and may be accessed at www.sec.gov.

KEY COMPANY PERSONNEL

Brad Woods - President and Chief Executive Officer

Mr. Woods is a member of Breckenridge Capital Consulting Group, LLC. Mr. Woods has also worked for Arthur Andersen & Co., where he executed projects for and on behalf of clients in the oil and gas, financial services, leasing, lodging, retail and light manufacturing industries. Mr. Woods' experience includes practicing before the Securities and Exchange Commission, both with existing public companies and initial public offerings. Mr. Woods is a Certified Public Accountant (CPA) in Colorado.

Kent Lam Shiu Fu – Chief Marketing Officer and General Manager

Mr. Lam is a co-founder of CWLC. Mr. Lam is currently the President of In-Touch Information System Co. Ltd., the CWLC's wholly owned subsidiary and Chinese business arm. Kent Lam was the co-founder and Managing Director of Eekon Computer Group. With over 150 employees, Eekon Computer Group was once the largest distributor of Compaq computers worldwide and Eekon's sales at their peak were approximately \$100 million annually.

Douglas J. Morgan – Executive Consultant/Business Development

Mr. Morgan spent fifteen years with Unisys in a variety of sales, marketing and product management roles, including Vice President of marketing and business development for Unisys's worldwide telecom line of business. Mr. Morgan joined WinStar Wireless (WinStar) in 1995 as part of the original senior management team and he played a pivotal role in WinStar's growth to 12,000 customers and \$200M in revenue. In 1999, he joined Allied Riser Communications (Riser) where he reported to the CEO and assisted in he building Riser and taking it public before leaving to start his own consulting and advisory firm in September of 2001.

Mr. Pedro E. Racelis III - Vice President of North American Sales

Mr. Racelis is responsible for sales to telecommunication and cable companies, commercial and government markets. A veteran of direct sales and management of channel partners for more than 19 years, Pete is responsible for the portfolio of products and services that are offered to retail business and wholesale customers. Prior to joining CWLC, Mr. Racelis sold hardware and software to telecommunications carriers, financial institutions, and commercial businesses both nationally and internationally in North America.

Michael A. Bowden - Vice President of Technology

Mr. Bowden is responsible for technical design and support for the international and domestic operations that provide service to telecommunication and cable companies, commercial and government markets. He is responsible for providing technical solutions for both domestic and international network transport on CWLC's network. Mr. Bowden has over 23 years experience with network design and technical support, responsible for US West/Qwest backbone and "last mile" network supporting city, state government and large business applications.

OUTLOOK

Based on a number of indicators, the Chinese economy is expanding at an above average pace and is forecasted by most experts to continue to expand at a rate greater than the overall global economy for the next several years. China's continued economic expansion should provide opportunities for foreign firms to enter certain segments of the Chinese markets and exploit competitive advantages in order to win market share and grow revenues.

However, it also appears that certain areas of the Chinese economy are maturing and that the "low hanging" fruit has already been harvested. China is no longer a panacea for unabashed growth and foreign firms shouldn't simply assume that large opportunities exist just because they enter the market.

Those firms that recognize that they need a highly focused market strategy geared towards solving the challenges of China's existing industry stalwarts should be in a good position to capitalize on continued growth in these market segments for years to come. In particular, we believe that CWLC's highly focused strategy of attempting to solve the "last mile" bottleneck may prove to be a successful long-term strategy because this strategy solves the problems of existing telecommunications market players and businesses. Specifically, we feel that it is a positive that CWLC's solution provides potential benefits both to large Chinese telecommunications carriers and Chinese businesses.

CWLC may also be well positioned to eventually capture market share in its competitive market segments based on the traction the Company appears to be creating in terms of its strategic relationships in China. Another positive factor to consider is that CWLC provides a solution that is based on a low-cost technology that can be deployed relatively easily and quickly. Furthermore, we believe that CWLC's strategy of relying on the abilities of its Chinese affiliates to form relationships will create competitive barriers to entry into its market niches, giving CWLC another potential strategic advantage.

On a cautionary note however, CWLC is severely undercapitalized and if management is not able to access financing on reasonable terms, CWLC will not be able to build out its network in China. Additionally, CWLC's management team does not appear to have been previously successful in completing a project of this scale. This does not mean that management does not possess the capability to be successful in their efforts, but it may mean that there is additional execution risk based on management's inexperience. Lastly, as we have stated previously, doing business in China is inherently risky. The potential for a large reward may be present if CWLC is successful in its efforts, but accordingly, the risk quotient is amplified by the number of potential negative events that could occur due to the general risk presented by the Chinese business and regulatory environments. Accordingly, we believe that CWLC may be an attractive vehicle for high-risk oriented market participants to utilize to potentially capitalize on the growth potential of the Chinese telecommunications markets.

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uncertainties, including the financial performance of the Company and market valuations of its stock, which could cause actual results to differ materially from those currently anticipated. Although CRA believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, CRA can give no assurance that its expectations will be attained. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating any forward-looking statements. Certain factors could cause results and conditions to differ materially from those projected in these forward-looking statements, and some of these factors are discussed below. These factors are not exhaustive. New factors, risks and uncertainties may emerge from time to time that may affect the forward-looking statements made herein. Given these factors, risks and uncertainties, investors should not place undue reliance on forward-looking statements as predictive of future results. Forward-looking statements made herein are only made as of the date of this Research Report and CRA undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

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