



**SILVERWOOD PARTNERS ADVISES PATH 1 NETWORK TECHNOLOGIES INC.
(AMEX: PNO) IN PRIVATE PLACEMENT OF SECURITIES**

SHERBORN, MA – January 31, 2005 – Silverwood Partners today announced that Path 1 Network Technologies, Inc. has raised capital in a private placement of securities with institutional and accredited individual investors. Silverwood Partners initiated this transaction and acted as exclusive financial advisor to Path 1.

Path 1 Network Technologies Inc. (AMEX: PNO), a leading provider of video routing products that enable the transmission of broadcast-quality video over IP networks, today announced that it has secured a private investment totaling \$2.8 million. The investment was led by Gryphon Master Fund, L.P., and a number of Path 1's existing shareholders participated in the round. The investors received approximately 864,000 shares of a new 7% convertible preferred stock which is convertible into an equal number of shares of common stock at a fixed ratio, together with approximately 432,000 common stock warrants exercisable at \$4.20 per share.

Commenting on the financing, John Zavoli, president and CEO, said, "This investment is a vote of confidence that underscores the progress we have made since pioneering the live video over IP space. We now have greater resources to continue the aggressive pace of product innovation that has made us the technology leader in delivering broadcast-quality video over IP networks." Zavoli continued, "This financing allows us to maintain our sharp focus on driving adoption of our products through stronger branding, new strategic partnerships and direct customer sales."

Silverwood Partners LLC served as Path 1's financial advisor for this transaction.

About Path 1 Network Technologies Inc.

Path 1 Network Technologies Inc. develops video routing products that enable the transportation and distribution of real-time, broadcast-quality video over IP networks. From the delivery and distribution of broadcast video content to Video on Demand (VOD), Path 1's video infrastructure platforms allow high-quality transmission of point-to-point, multipoint and multiplexed data over legacy IP systems. To find out more about Path 1 Network Technologies Inc. (AMEX: PNO), visit our Web site at www.path1.com or call 877/ONE-PATH (663-7284).

About Silverwood Partners

Silverwood Partners is a sector focused investment bank that provides M&A and private capital raising advisory services to information, communications, financial services, and digital imaging technology companies, and healthcare, industrial and consumer companies. Silverwood delivers acquisition, divestiture or corporate sale advisory, strategic-financial advisory and institutional financing services to companies in its targeted business sectors. For additional information, visit Silverwood's Website at www.silverwoodpartners.com.

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Important Information

This release may include forward-looking statements, as defined by the Private Securities Litigation Reform Act of 1995, about the future performance of one or more public companies. There are a number of factors that could cause actual events or results to differ materially from those indicated by such forward-looking statements, such as the competitive market in which any company operates, market acceptance of a public company's existing and new products, a public company's ability to anticipate customer needs and the other factors set forth under the caption "Certain Factors That May Affect Future Results," or similar, in a public company's filings with the Securities and Exchange Commission. In addition, any forward-looking statements contained herein represent an estimate only as of the date of such statement and should not be relied upon as representing an estimate as of any subsequent date.

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