



For Immediate Release

AMBIENT RESPONDS ON BEHALF OF INDUSTRY TO RECENT ARRL STATEMENT

Boston, MA, December 16, 2004 - Ambient Corporation (OTCBB: ABTG), a leader in Power Line Communications (PLC) responded today to a recent statement by the American Radio Relay League (ARRL) that questions the prospects for Broadband over Power Line (BPL) technology. The ARRL, who is the leading opponent of BPL in the US, claims that EarthLink, one of the top Internet providers, recently presented a pessimistic assessment of BPL and other third wire technologies to the FCC.

“The release by the ARRL clearly takes the statements of EarthLink’s attorney out of context and conveniently ignores many developments in the industry that contradict ARRL’s conclusions,” stated John J. Joyce, CEO of Ambient. “Although we have worked hard to accommodate the concerns of ARRL, we cannot allow such an erroneous assessment of BPL’s future to go unchallenged.”

Among the important factors to be considered are:

- The contention that BPL will not be competitive in the near future is misleading and incorrect. The document referenced by ARRL suggests that BPL needs 15% penetration to be economical. Although we do not necessarily agree, it must be noted that a key feature of Ambient’s system design is a targeted build-out, aimed specifically at those portions of the utility system where successful penetration will be highest. A 15% or higher penetration is therefore not unreasonable.
- The ARRL perception of BPL’s economics fails to consider that consumer broadband is only one application for a BPL-enabled utility system. Specifically, there are many utility and other industrial applications that will contribute to, and may even be the primary source of, BPL’s favorable economics.
- The FCC meeting in question was apparently devoted to EarthLink’s desire to maintain access to customers over cable and telephone lines owned by others. It is therefore natural that the parties focused on cable and DSL and stressed the importance of those two mediums in the future of broadband. And, since both technologies will be major forces for quite some time, that focus seems appropriate for that meeting.
- The projects with which EarthLink has worked with Ambient are pilot ventures intended to verify and refine our equipment. As demonstration projects, they were never intended to be competitive installations. In fact, they are in no way

representative of BPL economics, including equipment costs, installation costs or startup and testing costs.

- EarthLink continues to work with Ambient on two active projects and, to the best of our knowledge, has not yet reached any definitive conclusions from those efforts.
- Ambient continues to refine its system and equipment design for cost efficiencies. Furthermore, all production to date has been in relatively small quantities. We expect further cost reductions as manufacturing processes are optimized and leveraged for larger quantities.

Joyce stressed that Ambient and its partners believe that BPL will be a highly competitive choice. "There are many positive factors that are coming together for the industry, and they promise to make 2005 the year of BPL," said Joyce. "We will continue to work with our partners and other stakeholders to be a successful part of this exciting, emerging industry."

About Ambient Corporation

Ambient Corporation (OTC BB: ABTG) is a development stage company engaged in the design, development and marketing of equipment and technologies that utilize existing electrical power medium voltage and low voltage distribution lines as a medium for the delivery of broadband and other communication services. The use of an electric power distribution system as a high-speed communication medium is commonly referred to as "power line communications" or "broadband over power lines." Visit us at www.ambientcorp.com.

This press release may contain forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents filed by Ambient Corporation with the SEC, including the company's most recent report on Form 10-KSB and 10-QSB, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. Ambient is a trademark of Ambient Corporation registered in the U.S. Patent and Trademark Office.

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