



CellPoint Continues Negotiations with Castle Creek to Restructure Convertible Debt

London, July 2, 2001 -- CellPoint Inc. (Nasdaq: CLPT), a global provider of mobile location technology and services, announces that the Company is still in negotiations to restructure the \$10 million in convertible notes owned by Castle Creek Technology Partners. This restructuring is part of a comprehensive plan for the Company's overall current and future financial requirements.

"The floating convertible has caused a lot of concern in the investment community and both Castle Creek and we understand that the original structure has to change," said Peter Henricsson, Chairman and CEO of CellPoint Inc. "We have had a lot of feedback from our stockholders and are working toward terms acceptable for Castle Creek, existing stockholders and new investors." Upon concluding the agreement on the restructuring, CellPoint has an agreement in place for a new private placement that will close within three weeks.

Concurrently with the Castle Creek negotiations, the Company is also in discussions with several groups whose involvement will give the Company the added strength going forward. The objective is not only to provide financing when needed but also to attract more institutional ownership, broaden CellPoint's visibility and increase the executive management and board resources. All of these components need to come into place to ensure that the Company has the right structure to reach profitability as quickly as possible.

One component of this future structure has already been put in place, in May this year. "We've negotiated a \$20 million equity line with a US-based institutional investor," continued Henricsson. The commitment allows CellPoint to draw-down funds by selling common stock over the next two years. The Company would set the stock price minimum in any given month so would never be forced to raise funds below a certain level of acceptability. "It is entirely up to CellPoint when and if we would use any part of this \$20 million equity line over the next 24 months."

"We're committed to returning maximum stockholder value and have tremendous support from our stockholders in resolving this situation with Castle Creek – the underlying business in this Company is excellent and that is really what CellPoint is all about," said Henricsson. "We are unable to disclose specific details to stockholders during this period due to the ongoing negotiations."

CellPoint Inc. (Nasdaq and Stockholm OM Exchange: CLPT, www.cellpoint.com) is a US company with subsidiary operations in Sweden, Great Britain and South Africa delivering location and wireless telemetry services in cooperation with cellular operators worldwide. CellPoint's end-to-end cellular location technology offers a high-capacity solution for multi-vendor, unmodified GSM networks and uses standard GSM or WAP phones and standard Internet services. Several commercial applications are available for business and personal location services including Resource Manager™ for mobile resource management, iMate™ for location-sensitive information and Finder™, an application for locating friends and family. Subsidiary Unwire's programmable telemetry terminal servers are also integrated with the CellPoint System Platform enabling a broad range of applications for wireless remote management and control.

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