



CellPoint Files \$100 Million Claim Against Former Legal Counsel Legal Malpractice Suit Targets Attorneys' Work on Castle Creek Agreements

New York, December 17, 2001 – CellPoint Inc. (Nasdaq: CLPT), a global provider of mobile location software technology and platforms, announced today that it has filed a \$100 million malpractice claim against its former legal counsel, Salans Hertzfeld Heilbronn Christy & Viener, relating to work performed by Salans in the Company's agreements with Castle Creek Technology Partners LLC.

"While we are distressed to pursue this claim against Salans after working with them for almost four years, this is absolutely necessary to protect the interests of CellPoint's shareholders," said Peter Henricsson, Chairman and CEO.

The essence of the malpractice claim is that Salans held themselves out to CellPoint as knowledgeable commercial lawyers, familiar with financing documentation, and securities requirements. Salans represented CellPoint in contract negotiations and documented the details of a private placement in which a venture capital company, Castle Creek Technology Partners LLC, invested ten million dollars in CellPoint with entitlement to convert its investment into shares. Salans also worked on subsequent agreements and modifications with Castle Creek in July and September of this year, which the claim also addresses.

The claim alleges Salans breached the duty of care owed to their client by failing to reasonably and competently represent CellPoint in the transactions associated with Castle Creek. The claim further alleges that Salans' actions and omissions fall below the standards for reasonably competent attorneys in the preparation of documents consummating the agreements and the advice related thereto. CellPoint alleges it has suffered damages as a direct and proximate result of the malpractice of its attorneys in an amount to be determined at trial, but no less than \$100 million, plus interest, attorneys' fees, costs, and punitive damages.

"We have been working with our investment banker, Gerard Klauer Mattison, to negotiate a new agreement with Castle Creek and it is in both parties interest to reach a satisfactory solution as soon as possible," said Henricsson.

About CellPoint Inc.

CellPoint Inc. (Nasdaq and Stockholmsbörsen: CLPT) is a leading global provider of location determination technology, carrier-class middleware and applications enabling mobile network operators rapid deployment of revenue generating location-based services for consumer and business users and to address mobile E911/E112 security requirements.

CellPoint's two core products, Mobile Location System (MLS) and Mobile Location Broker (MLB), provide an open standard platform adapted for multi-vendor networks with secure integration of third-party applications and content. CellPoint's entry-level location platform handles over 500,000 location requests per hour and has a seamless migration path to GPRS and 3G.

CellPoint's early entry and experience with European mobile operators has allowed the development of products and features that address key requirements such as active and idle mode positioning, international roaming, multiple location determination technologies and consumer privacy.

CellPoint is a global company headquartered in Kista, Sweden. For more information, please visit www.cellpoint.com.

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