



CellPoint and Castle Creek Reach Agreement to Settle Lawsuit

London, UK - December 20, 2001 - CellPoint Inc. (Nasdaq: CLPT), a global provider of mobile location software technology and platforms, announced today that an agreement has been negotiated with Castle Creek regarding settlement of the pending lawsuit filed by Castle Creek Technology Partners on November 8, 2001.

Castle Creek had claimed that CellPoint was in breach of certain provisions of the agreements in place, an interpretation that CellPoint did not agree with. The parties have now agreed to amend the existing agreements in several areas. Upon signing the new contract, the parties have agreed that CellPoint is not currently in default of any agreement or instrument with Castle Creek.

“We negotiated this new agreement together with our investment bankers Gerard Klauer Mattison,” said Peter Henricsson, Chairman and CEO. “With this settlement in place, CellPoint continues to execute on its business plan and work with GKM and KCSA Worldwide in sourcing strategic partners and strategic investors.”

Several other matters were resolved in the new agreement. Castle Creek was issued 210,526 warrants at \$11.40 per share per the December 2000 agreements which carried standard anti-dilution provisions for a price reset in the event CellPoint raised funds below \$11.40 per share. Castle Creek and CellPoint agreed to the calculation whereby the anti-dilution provisions result in the exercise price being changed to \$7.75. Those warrants are exercisable until December 6, 2005. The 500,000 warrants issued in the July agreement carried anti-dilution provisions on both pricing and quantity. Those 500,000 warrants will be increased to 1.5 million warrants exercisable at \$1.20 per share.

The matter of the expanded anti-dilution provisions and other provisions in prior agreements with Castle Creek are being pursued by the Company with a claim against its former legal counsel. Half of the 1.5 million warrants will be exercisable from now until July 2005 and the other half from July 2002 until July 2005. If CellPoint does a dilutive financing at prices below the exercise price of the warrants, the exercise price of the warrants may be adjusted downward but there will be no further adjustments in the number of warrants for Castle Creek.

In addition, the new agreement includes CellPoint continuing to pay down the outstanding notes. CellPoint will allocate 25% of the funds raised over the next 10 months to paying down the notes and agrees to pay down a minimum of \$200,000 by January 31, 2002 and an additional \$550,000 by February 28, 2002. Subject to these payments being made on a timely basis, and CellPoint being otherwise in compliance

with its agreements with Castle Creek, the lawsuit will be dismissed. The convertible notes were originally due to be paid back in September 2002. Under the existing agreements, the remaining notes are now scheduled to be retired at the latest on October 1, 2002 for \$6.1 million (less any prepayments prior to that date) plus accrued interest. CellPoint will file Form 8-K with the SEC within three days and will then post the 8-K on CellPoint's website.

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 Server (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.

For information, please contact:

KCSA Public Relations Worldwide:

Sarah Shepard / Michael Cimini
(212) 896-1236 / (212) 896-1233
sshepard@kcsa.com / mcimini@kcsa.com

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