

## **CX2 Technologies, Inc. Restructures Debt and Redeems Certain Outstanding Shares**

**BOCA RATON, FL--** (Marketwire – June 12, 2008)

CX2 Technologies, Inc. (CX2) is the nation's sole designer and manufacturer of wireless fixed, mobile and remote with embedded GPS with AVL software digital data communication solutions for FCC licensed 220-222 MHz narrowband communications. CX2's common stock began trading on the Over-the-Counter Bulletin Board (the OTCBB) in January of 2008, and the trading price of the Company's stock has significantly declined since then. The new team believes that the Company's share price has suffered due to the large amounts of stock owned by former management and affiliates of former management who sold significant amounts of stock upon their departure. On February 29, 2008, CX2 appointed a new CEO, Michael Rand. Since taking office, Mr. Rand has restructured the Company's business and taken steps to build long term shareholder value.

"Since I became CEO at the end of February, I have been meeting with the Company's attorneys, accountants and other advisors to discuss and seek possible resolution of many of the Company's ongoing issues," stated Michael Rand, CX2 CEO. "In doing so the Company has already cleared up a number of financial obligations to its past creditors and investors, settled its outstanding debentures, resolved the distribution of shares related to such debentures and also redeemed 10,000,000 shares. Unfortunately, I believe that prior management's overall strategy for the Company was flawed. As part of the recent change in management, we are now restructuring the Company and seeking to develop relationships with long-term investors."

Following his appointment as CEO, Mr. Rand began negotiations with ESP Two Way Radio Sales & Services of Burr Ridge, IL. The ultimate end result was the cancellation of the Company's 2006 agreement with ESP. The agreement to provide sales, marketing and customer service functions for CX2 in the Chicago area for taxis and similar businesses to use the CX2 digital data infrastructure no longer fit with the Company's revised business focus. Following the cancellation, the Company was able to write down past due obligations to ESP of \$90,000. CX2 and ESP continue to maintain a working relationship whereby the CX2 Network Operating Center remains located within the ESP facility in Burr Ridge and the CX2 digital data base station remains in Sears Tower and is maintained by ESP. This location is currently utilized by CX2 engineers to test various integration technologies. The cost to the Company for all ESP services is now approximately \$900.00 per month.

Following negotiations with several shareholders and creditors, the Company was able to redeem 10,000,000 shares of common stock. In doing so the Company negotiated the cancellation of all notes associated with a creditor's loans to the Company in the total amount of approximately \$320,100. These notes were convertible notes and could have resulted in the creditor gaining voting control of the entity if the Company did not meet the notes' repayment terms.

Following these three transactions, CX2 has been able to write down approximately \$410,000 in principal amount of the Company's outstanding debt obligations while also redeeming approximately 34% of its outstanding shares of common stock.

Michael Rand stated, "With completion of these clean up items, we can focus on running our business and executing on our business plan."

As part of the restructuring, Mr. Rand is focusing on positioning CX2 to take advantage of ongoing FCC rulemaking that may provide improved marketing opportunities for CX2. At its May

14<sup>th</sup> FCC open meeting, the FCC asked for comments on re-auctioning the 700 MHz D block spectrum to commercial interests alone if a network agreement is not worked out. CX2 plans to participate in the comment process -- particularly with respect to utilizing spectrum efficient technologies for a nationwide sensor network that would work in conjunction with the proposed 700 MHz broadband network.

An interoperable public safety network is greatly needed and any public safety data application must be designed with the eventual deployment of this proposed system in mind. Unfortunately, the federal government has yet to decide the final form and method of implementation for the proposed nationwide Public Safety Broadband Network. CX2 management believes the infrastructures of the interim and the nationwide solution should mesh and augment one another.

CX2, together with its business partner GEOCommand, Inc., offers a solution to support a multi-phase, integrated approach should the FCC pursue it. The FCC has already set aside two 220-222 MHz nationwide licenses for federal and public safety uses. With only 10 MHz of spectrum available within the 700 MHz D block, CX2 management believes that certain items like mapping and emergency pre-plans must sit within the responders' vehicle on a rugged computer, and the CX2 technology can provide a low cost, spectrum efficient addition to address these concerns. If CX2 can partner with one of the participants in the upcoming 700 MHz D block FCC auction, management believes this may help create a solution that could help the participant negotiate an agreement with the Public Safety Spectrum Trust.

CX2 and a number of other companies are in the process of implementing pilot systems in Massachusetts and Washington, DC in an attempt to demonstrate to both state and federal authorities the merits of such a solution.

#### **Safe Harbor Statement**

Statements in this news release about CX2's future expectations, including: the advantages of CX2's products and services; whether such products and services will be used to achieve data interoperability; whether public safety organizations, the FCC and Congress will continue pursuing the 700 MHz spectrum or an integrated data approach; whether CX2 will be successful in providing support to public safety organizations to achieve data interoperability; whether CX2 will be successful in implementing its business plan and corporate restructuring; whether CX2 will be able to grow within its markets; CX2's ability to meet customer delivery requirements; and all other statements in this release, other than historical facts, are forward-looking statements. It is important to note that actual results and ultimate corporate actions could differ materially from those in such forward-looking statements based on such factors as the ability of CX2 to raise funds to continue its operations; uncertain market demand for CX2's products and services; CX2's ability to attract and retain qualified employees; new products and services developed by other companies; market share garnered by competitors; ability to develop and maintain supplier and customer relationships; CX2's ability to maintain sufficient inventory to meet customer demand; whether results of testing, pilot programs and development activities are favorable or unfavorable; changes in governmental regulations, governmental recommendations and governmental support for data interoperability.

Contact:  
Michael Rand  
[info@cxto.com](mailto:info@cxto.com)  
561-347-9235