

Craig Wireless Receives Decision in U.S. Litigation with Clearwire

Rancho Mirage, California – September 12, 2011 - Craig Wireless Systems Ltd. (“**Craig Wireless**”) (TSX: CWG) today announced that an order for summary judgment in the case of Craig Wireless and Craig Wireless Manitoba Inc. (collectively, the “**Company**”) v. Clearwire Legacy LLC (“**Clearwire**”) and Fixed Wireless Holdings LLC, filed in the U.S. District Court for the Western District of Washington has been entered. The claim was filed by the Company in connection with the alleged failure of Clearwire to provide equipment to the Company pursuant to an agreement entered into among the parties or their predecessors in 2004-2005, and related matters.

The Court found that the Company was entitled to, and did validly retract certain shares Clearwire held in Craig Wireless Manitoba Inc. in accordance with the terms of a related agreement. Accordingly, Clearwire is not entitled to any of the proceeds from the sale of the Company’s Canadian spectrum assets that occurred in 2010. The Court further found that the retraction of shares was the Company’s sole remedy for the lack of equipment delivery.

“We are pleased that the Company’s contractual right was upheld by the Court” stated Boyd Craig, Chief Executive Officer of Craig Wireless.

About Craig Wireless Systems Ltd.

Craig Wireless and its affiliates (collectively, the “**CWS Group**”) offer a broad range of telecommunications services, including, broadband internet access, business connectivity solutions, hosting, security and telecommunications solutions. Through certain members of the CWS Group, Craig Wireless holds or leases licenses for spectrum in the 2.5 GHz, 2.6 GHz or 3.5 GHz bands in Riverside County in Southern California, United States and in Greece. The CWS Group also has spectrum interests in Norway and New Zealand. Spectrum in these ranges is effective for delivery of point-to-multipoint signals, possesses robust bandwidth capability and supports emerging 4G-based services and applications, including portable and mobile applications.

The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this release.

Notice on forward-looking statements

This release includes forward-looking statements regarding Craig Wireless and its business. Such statements are based on management's current expectations. The forward looking events and circumstances discussed in this release may not occur and actual results could differ materially as a result of known and unknown risk factors and uncertainties affecting Craig Wireless and its business. For example, the decision of the Court is subject to a right of the parties to appeal the decision. No forward-looking statement can be guaranteed. Forward-looking statements speak only as of the date on which they are made and Craig Wireless does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

For further information contact:

Boyd Craig, Chief Executive Officer, Craig Wireless Systems Ltd., email:
craiginfo@craigwireless.com.