

Craig Wireless Enters into Acquisition Agreements for Secured Advances, Shares and Spectrum Rights of Woosh Wireless Limited in New Zealand

Rancho Mirage, California – September 15, 2011 - Craig Wireless Systems Ltd. (“**Craig Wireless**” or the “**Company**”) (TSX: CWG) today announced that its subsidiary Craig Wireless South Inc. (“**CW South**”) has entered into an agreement to purchase certain secured advances owed by Woosh Wireless Limited (“**Woosh**”) to Kuwait Finance House (Bahrain) B.S.C.(c) (“**KFH**”), New Zealand Australia Private Equity Fund Company B.S.C.(c) (“**NZAPEF**”) and Bridge SPC Limited (collectively, the “**Advances**”), all for an aggregate purchase price of USD\$5,500,000.00. As part of the agreement, CW South and KFH and NZAPEF have agreed that either KFH and NZAPEF may put certain shares held in Woosh by KFH (36,673,756 ordinary shares) and NZAPEF (124,553,593 ordinary shares) to CW South or, in the alternative, CW South may call such shares from KFH and NZAPEF, in either case for no additional consideration. The current chairman of Woosh, Rod Inglis, is participating in the acquisition by contributing USD\$500,000 of the total purchase price of the Advances, resulting in an acquisition cost to CW South of USD\$5,000,000.

The closing of the acquisition of the Advances is conditional upon CW South, or its affiliate, acquiring (subject to receipt of all required regulatory approvals) certain spectrum rights presently owned by Woosh.

It is expected that CW South or its affiliate will make demand on the Advances shortly after closing of the acquisition and that all of the remaining assets, business and employees of Woosh will be transferred to CW South or its affiliate in satisfaction of certain of the Advances under the *Personal Property Security Act* (New Zealand). Upon completion of the statutory procedure, the Company has entered into an agreement with Rod Inglis to transfer the acquired assets to a newly formed subsidiary of the Company that will be held 51% by CW South (or its affiliate) and 49% by Rod Inglis (or his affiliate). The newly formed company will conduct the business previously carried on by Woosh. Rod Inglis will also participate in the management of the business going forward.

Woosh is a New Zealand based wireless internet provider whose network provides coverage to more than 25,000 customers in New Zealand.

“Craig Wireless is extremely pleased about this opportunity to further its reach into the New Zealand market” stated Boyd Craig, Chief Executive Officer of Craig Wireless. He added “Upon completion of the transaction and realization upon the Advances, Craig expects that it will: have expanded its spectrum holdings, have organized an operating wireless business that it believes is well positioned in the New Zealand market, recognize revenue and have in place an experienced and effective management team.”

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

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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. Not to limit the generality of the foregoing, the forward-looking information set forth in this news release is subject to various risks and other factors including the following: the risk that the acquisition of the spectrum rights from Woosh will not be completed for any reason, including receiving all necessary regulatory approvals and consents, the risk that making demand and/or realizing on the Advances may be delayed or prevented, the risks of conducting business in a foreign country, currency fluctuations, the ability of the Company to obtain qualified staff or required equipment or services in a timely and cost efficient manner, including the hiring of the Woosh management team. 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.

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