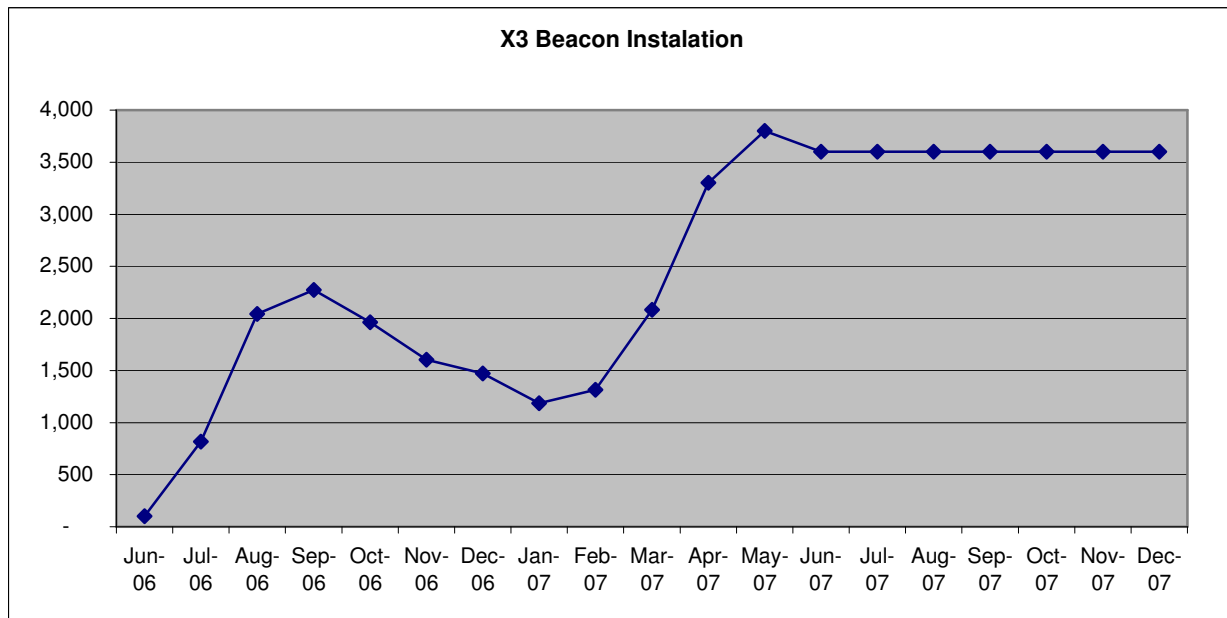


Cell-Loc Location Technologies Announces Record Installation Volumes

CALGARY, AB, MAY 25, 2007 – Sheldon Reid, President & CEO, Cell-Loc Location Technologies Inc. (TSX-V: LTI) ("Cell-Loc" or the "Company") is pleased to announce that its Brazilian subsidiary, X3 Telecomunicações e Equipamentos Ltda. ("X3"), has recorded a record volume of installations in the month of April. During the month, X3's customer, Itaú Seguros S.A. ("Itaú Seguros"), the insurance subsidiary of Investimentos Itaú S.A. (NYSE : ITU), procured vehicle location services for 3,303 of its customers from X3. However, the record won't last long as the company is on pace for a new record in May with an installation forecast of 3,700 vehicles. To date, the Company has activated almost 22,000 beacons in the São Paulo network. X3 expects its installation rate under the Itaú Seguros contract to continue at an average rate of approximately 3,600 beacons per month throughout the remainder of the year.



Based on this installation rate, X3 is now cash flow positive for its operations for the current month excluding the cost of the beacon. The Company expects that X3 will generate positive net income by the end of 2008.

Business Model

The business model for X3 is now showing the rewards for the Company's investment through the past couple of years. During that period, Cell-Loc incurred significant capital and operating costs in deploying the network and establishing the operations. With the current and forecast installation rate, X3 has created a revenue annuity that will grow with additional customers and markets.

Itaú Seguros identifies to X3 its customers who it recommends should receive a beacon from X3. Itaú pays X3 directly in advance for annual service for its customers, within 10 days of billing under the terms of their agreement. Given Itaú's investment grade credit rating, there is very little collection risk. These terms also apply to renewals that are billed

on the anniversary date of the installation. As a result, commencing in the third quarter of this year, the Company will be billing not only for the current installations but also for the anniversary date renewals. Because there are no incremental costs associated with these renewals, they result in significantly improved profit margins for X3.

Stolen Vehicle Recovery

X3 has used its technology to assist in the recovery of 176 vehicles to date. Using an average vehicle cost of \$12,000, this represents a savings of approximately \$2.1 million in customer claims reimbursements for Itaú Seguros. The Company has successfully overcome the challenges of the urban environment in São Paulo to provide a technology that is effective in providing affordable real time locations for stolen vehicle recovery.

With the ongoing increase in the installed units, X3 is experiencing emergency actions almost daily. The Company's technology enables the recovery team to activate the beacon transmission, pinpoint the location of the vehicle, remotely disable the vehicle and to physically track and recover the stolen vehicle.

Customer Economics

In order to be successful in the stolen vehicle recovery market, a company must provide a cost effective service that justifies the cost to the customer. Cell-Loc's technology provides the lowest cost solution in the industry, which in a market such as Brazil is essential to success. Unlike North America, the average value of a vehicle on the road in São Paulo is less than \$20,000. The vast majority of the market cannot justify or afford a stolen vehicle recovery service that costs \$400 or more per year. However, the high theft rate in São Paulo provides a huge addressable market to a company like X3 that offers a low cost service.

From an insurance company perspective, the business case for utilizing a low cost service is compelling. Consider a model using the following assumptions:

- Average Vehicle value: \$12,000
- Expected Theft Rate (annual): 3%
- Recovery rate with service: 80%
- Recovery rate without service: 30%

Based on these assumptions, the value of the recovery service on a fleet-wide basis would be \$180 per vehicle ($\$12,000 * 3% * (80% - 30%)$). Unless the service can be provided for less than this amount, it is uneconomic for the insurance company. X3 can provide the service for a cost low enough to provide the insurance company with an economic return for its cost under these assumptions. There are many companies in Brazil who offer other stolen vehicle recovery services but their price point is significantly higher than this amount, making it uneconomic for the majority of the market. The competition for the higher value, higher cost services is extensive. However, X3 believes that its services are available to a segment of the market that is currently not well serviced. This market segment represents the largest volume of vehicles in Sao Paulo.

Cell-Loc Technology

The Company believes that the successful deployment of its wireless technology in São Paulo positions Cell-Loc as an emerging leader in the wireless location market.

- With São Paulo's urban density, congestion and challenging topography the Company's wireless network has successfully demonstrated its ability to overcome radio frequency interference and multipathing in any urban environment.
- The Company's wireless technology provides real time location without requiring line of sight, making it the optimal wireless location technology for urban areas.

- The wireless network operates independently and does not require other networks, cellular or otherwise, for its operation. This creates the optimal value chain for the Company's wireless location technology.
- The hardware and deployment costs of the Company's network are relatively inexpensive. The network is passive (does not transmit) and consequently does not, for most countries, require regulatory approvals.
- The cost of the Beacon (the installed device) is believed to be the least expensive relative to all other location technologies. In addition, the Beacon operates in an unlicensed band at 2.4 GHz and has zero associated transmission costs. The device is also available in a portable model coming with its own power source (with battery life of up to two years) and therefore can be attached to any physical asset. Together these attributes create a ubiquitous location solution and offer the opportunity for deep market penetration for any application of location in any country.
- The Company invented, designed and commercialized its algorithm driven location technology, consequently it has exclusive control over its IP. It has also identified significant additional opportunities to enhance its technology, including substantially lowering manufacturing costs, the Beacon device and the wireless network.
- Because the Company's IP relies on the algorithms it developed over the past seven years to generate real time location and less on the hardware, the Company has determined that it can protect its IP through extensive encryption algorithms.

About Cell-Loc Location Technologies Inc.

Cell-Loc Location Technologies Inc. (www.cell-loc.com) is the developer of a family of network-based wireless location products that enable location-based services. Located in Calgary, Alberta, Cell-Loc currently develops, markets and supports its patented wireless location technology in North and South America and Asia, with a view to expanding globally. Cell-Loc is listed on the TSX Venture Exchange under the trading symbol: "LTI."

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For further information about CLTI and the ongoing technology business, please contact:

Sheldon Reid
President and CEO
Cell-Loc Location Technologies Inc.

Dave Guebert
Vice President, Finance and CFO
Cell-Loc Location Technologies Inc.
Phone: 403.569.5796

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