

MICROCELL ESTABLISHES US\$137 MILLION INTERNATIONAL VENTURE-CAPITAL FUND

This major initiative will foster the development of wireless communications in Canada

Montreal, February 12, 1998 — Microcell Capital Inc., a wholly owned subsidiary of Microcell Telecommunications Inc., today announced the creation of GSM Capital L.P., an international venture-capital fund with committed capital of more than US\$137 million. The Fund is dedicated to private equity investment in companies developing innovative new products and services related to the GSM (Global System for Mobile Communications) standard. A Microcell initiative, GSM Capital leverages the resources of nine GSM operators from Canada, the United States, Europe and Asia, and some fifteen institutional investors.

"GSM Capital is unique in that it adds a strategic, value-added ingredient to the traditional venture-capital model through the participation of operators, not only in terms of financial contribution, but also in terms of experience, market knowledge and technical assistance," said André Tremblay, President and Chief Executive Officer of Microcell Telecommunications Inc. "By creating a real partnership and strong ties between entrepreneurs, investors and wireless operators, GSM Capital serves as a catalyst, helping young entrepreneurial companies enter this global market and enabling the whole industry to realize its full potential."

"GSM Capital will seek out the most innovative ventures in wireless communications worldwide, support them with the required capital, specialized know-how, and privileged access to international markets, benefiting entrepreneurs, wireless operators, investors and customers," said Alan MacIntosh, Vice-President, Microcell Capital. The Fund will invest in small and medium-sized businesses developing products and services that allow GSM operators to be more competitive in their markets. While typical investments will be in the US\$3 to 5 million range in the form of expansion capital, the Fund will selectively invest in smaller and larger opportunities which show strong potential. Investments will be made in regions where partners and investors are located.

As the founding partner, Microcell Capital has committed US\$15 million to the Fund, established an optimal structure, recruited a high-calibre management team and will provide additional support functions. The other participating GSM operators are: Aerial Communications Inc. (United States), Celcom (Malaysia), Deutsche Telekom via its subsidiary T-Venture (Germany), ESAT Digifone (Ireland), France Telecom via its subsidiary Innovacom (France), Omnipoint Communications Inc. (United States), Singapore Telecom Mobile (Singapore), and Smartone (Hong Kong). GSM Capital also benefits from the participation of a group of leading institutional investors.

GSM Capital is managed by Argo Global Capital, a team of highly capable professionals who combine strong operational and technical backgrounds with extensive international experience. Argo Global Capital is headed by H.H. Haight, President and Managing Partner, a successful international entrepreneur in his own right and a seasoned venture-capital professional, with 16 years of experience in venture capital.

"GSM Capital will provide excellent leverage to Canadian entrepreneurs by enabling them to rapidly develop their products or services and facilitating access to a global market of over one billion people," stressed Microcell's President and CEO. "In addition, this will help bring worldwide innovation in the wireless sector to Canadians. GSM is the dominant wireless standard worldwide, with more than 200 network operators already serving 66 million customers in over 100 countries. Microcell's initiative truly embodies our commitment to being a leader in developing Personal Communications Services (PCS) in Canada and to making this

incredible new technology benefit all Canadians," he concluded.

Microcell Telecommunications Inc. (TSE, ME: MTI.B; Nasdaq: MICTF) is a Canadian Personal Communications Services (PCS) operator. Its principal shareholders include: Telesystem Ltd., Call-Net Enterprises Inc. (parent company of Sprint Canada), Le Groupe Vidéotron Ltée and Shaw Communications Inc.

Microcell is divided into four subsidiaries operating under Microcell Telecommunications Inc., the management company: Microcell Connexions, which holds one of the two 30-MHz national PCS licences in Canada and is responsible for network deployment, operations and wholesaling; Microcell Solutions, which provides PCS services nation-wide under the Fido, trademark; Microcell Labs, a research centre devoted to the research and development of new PCS applications; and Microcell Capital, the initiator of GSM Capital L.P. Microcell's head office is located in Montreal. The Company employs more than 1,000 people in its offices in Vancouver, Calgary, Edmonton, Toronto, Ottawa, Montreal and Quebec City.

Fido is a registered trademark of Microcell Solutions Inc.
www.microcell.ca

Source:
François Perreault
Opsis Communications & Marketing
(514) 393-8998

Information:
Microcell Telecommunications Inc.
Claire Fiset (514) 846-7824
Victoria Ollers (416) 822-2288
Lynda Phinney (604) 601-1062

