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News

For Immediate Release

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GLOBALSTAR TO ASSUME OWNERSHIP OF FRENCH GATEWAY

***European and North American operations now under single ownership;
Orderly transfer of assets assures uninterrupted service***

SAN JOSE, CA., July 9 – Globalstar, the world’s most popular handheld satellite phone service, today announced a further step in its restructuring process by assuming ownership of its network satellite gateway in Aussaguel, France. This gateway, or ground station, has been operated by TE.SA.M., the Globalstar service provider for much of Europe and North Africa.

Under an agreement closed on July 2, Globalstar Europe S.A.R.L., a European subsidiary of Globalstar L.P., will take ownership of the Aussaguel gateway antennas and other related equipment previously administered by TE.SA.M., allowing Globalstar to manage sales and operations activities in countries served by this gateway. The transaction is subject to licensing approval from the French telecommunications authorities.

Today’s announcement follows similar acquisitions by Globalstar of operational assets in North America, where the company now has a major equity stake in Globalstar Canada, and recently received Federal Communications Commission approval to acquire Globalstar gateway operations in the U.S. and the Caribbean.

“With today’s announcement, the restructuring of Globalstar has taken another significant step closer to completion, broadening our ability to sell services directly and through agents and resellers,” said Olof Lundberg, chairman and CEO of Globalstar. “So far, our reorganization work has been proceeding with virtually no major obstacles encountered, and we expect to reach further milestones in this process in the weeks ahead.

“In the meantime, sales are continuing their encouraging trend, with recent contracts for several hundred phones to various government agencies in the U.S., Canada and Russia. We are also seeing exceptionally high usage in the western U.S. and Canada

where Globalstar phones are being used extensively by regional fire fighting teams, confirming our service's unparalleled utility for emergency services and security in remote locations.”

TE.SA.M. is a joint venture of France Telecom, one of the world's largest telecommunications operators, and Alcatel, the world's largest manufacturer of telecommunications equipment.

Globalstar is a provider of global mobile satellite telecommunications services, offering voice and data services from virtually anywhere in over 100 countries around the world. For more information, please visit our website at www.globalstar.com.