

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

GEOTEK COMMUNICATIONS INC

CIK: **844843** | IRS No.: **222358635** | State of Incorpor.: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-11620** | Film No.: **98549754**
SIC: **3663** Radio & tv broadcasting & communications equipment

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MONTVALE NJ 07465

Business Address
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2019309305

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of THE SECURITIES
EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) February 18, 1998

GEOTEK COMMUNICATIONS, INC.

(Exact name of registrant as specified in charter)

Delaware

0-17581

22-2358635

(State or other juris-
diction of incorporation)

(Commission File Number)

(IRS Employer Identi-
fication No.)

102 Chestnut Ridge Road, Montvale, New Jersey

07645

(Address of principle executive offices)

(Zip Code)

Registrant's telephone number, including area code 201-930-9305

N/A

(Former name or former address, if changed since last report.)

Item 5. Other Events

On February 18, 1998 (the "Closing"), Geotek Communications, Inc. (the "Company") consummated a series of transactions with a group of investors (collectively, the "Investors") who held shares of the Company's Series O Convertible Preferred Stock ("Series O Stock") and Series Q Convertible Preferred Stock (the "Series Q Stock"). Pursuant to a Conversion and Exchange Agreement, a copy of which is attached as Exhibit 10.1 hereto (i) Investors converted approximately \$11.8 million in face amount of Series O Stock and Series Q Stock into shares of the Company's common stock, \$.01 par value per share ("Common Stock") at a conversion price of \$1.00 per share; (ii) Investors exchanged approximately \$15.9 million in face amount of Series O Stock and Series Q Stock for shares of a newly-created series of preferred stock designated Series R Convertible Preferred Stock ("Series R Stock"), at a ratio of 1.1111 shares of Series R Stock for each share of Series O Stock or Series Q Stock and (iii) Investors exchanged approximately \$6.5 million in face amount of Series O Stock and Series Q Stock for shares of a newly-created series of preferred stock designated Series S Convertible Preferred Stock ("Series S Stock"), at a ratio of one share of Series S Stock for each share of Series O Stock or Series Q Stock. Following completion of the transactions, the Investors will continue to own, in the aggregate, approximately \$1.8 million in face amount of Series O Stock and Series Q Stock and there will be, approximately, an additional \$6.9 million in face amount of Series O Stock and Series Q Stock outstanding held by other preferred stockholders who did not participate in this transaction.

The terms of the Series R Stock are substantially similar to the terms of the Series Q Stock, except that (i) the Series R Stock is convertible into shares of Common Stock of the Company ("Common Stock"), at any time, at a fixed conversion price of \$2.00 per share, (ii) the Series R Stock automatically converts into shares of Common Stock on February 18, 2003 at the then applicable conversion price and (iii) the dividends payable to holders of the Series R Stock at the rate of 10.0% per annum will be payable in shares of Common Stock. In addition, the terms of the Series R Stock provide the Company with limited rights to restrict conversions in connection with an underwritten public offering of Common Stock.

The terms of the Series S Stock are substantially similar to the terms of the Series Q Stock, except that (i) the Series S Stock is convertible into shares of Common Stock of the Company ("Common Stock"), at any time, at a fixed conversion price of \$4.00 per share, provided that the conversion price will be

reduced to \$3.00 per share if the average of the closing bid prices for the Common Stock for the ten trading day period immediately preceding August 18, 1998 is less than \$4.00 and, further, if the conversion price on February 18, 1999 is greater than 110% of the closing bid price of the Common Stock on such date, the conversion price shall be 110% of the closing bid price on such date (ii) the Series S Stock will automatically convert into shares of Common Stock on February 18, 2003 at the then applicable conversion price and (iii) the dividends payable to holders of the Series S Stock at the rate of 10.0% per annum will be payable in shares of Common Stock.

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The holders of the shares of Common Stock issued at the Closing upon conversion of shares of Series O Stock and Series Q Stock have agreed not to sell more than one-third of such shares in each of the first three consecutive thirty-day periods following the Closing. The shares of Series O Stock and Series Q Stock which the Investors continue to own following the Closing become convertible into shares of Common Stock in increments over the succeeding six-month period.

The Company will file a registration statement (the "Registration Statement") with the Securities and Exchange Commission no later than March 16, 1998 (the "Registration Date"), covering the resale of the shares of Common Stock issued and issuable upon conversion of the Series O Stock, the Series P Stock, the Series Q Stock, Series R Stock and the Series S Stock. The Company will pay a penalty of 1% of the market value of the Common Stock or the face amount of the Series R Stock, Series S Stock and Series Q Stock, as the case may be, if the Registration Statement is not filed on or prior to the Registration Date and an additional 1% if the Registration Statement is not declared effective on or prior to April 15, 1998. The Company will also pay an additional penalty of 2% of the market value of the Common Stock or the face amount of the Series R Stock, Series S Stock and Series Q Stock, as the case may be, for each month (or partial month) the Registration Statement is not declared effective, beginning April 1, 1998, provided no such payment will be required if the Registration Statement is declared effective on or prior to April 15, 1998. The Company may pay any such penalties in cash or in shares of Common Stock.

The exercise price of the warrants issued to the Investors in connection the issuance of the Series O Stock and the Series Q Stock has been amended to be \$4.00 per share of Common Stock purchasable thereunder; provided that the exercise price will be \$3.00 per share of Common Stock purchasable thereunder if the average of the closing bid prices for the Common Stock for the ten trading day period immediately preceding August 18, 1998 is less than \$4.00 and provided, further that if the exercise price on February 18, 1999 is greater than 110% of the closing bid price of the Common Stock on such date, the exercise price shall be 110% of the closing bid price of the Common Stock on such date.

If the Company fails to (i) file the Registration Statement with the SEC on or prior to the Registration Date and/or the Registration Statement is not declared effective on or prior to that date which is 120 days after the date of the Closing, (ii) receive at least \$30 million in net proceeds that can be applied in the first half of 1998 for general working capital purposes from the sale of its European networks prior to March 15, 1998, (iii) receive at least \$25 million in proceeds from new financings prior to May 15, 1998 that can immediately be applied for general working capital purposes or (iv) receive at least \$50 million (in the aggregate, including the proceeds referred to in clause (iii) above) in proceeds from new financings prior to September 15, 1998 that can immediately be applied for general working capital purposes (each of the financings referred to in

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clauses (iii) and (iv) shall be referred to as a "New Financing"), each holder of Series R Stock and Series S Stock, as the case may be, has the right, exercisable for thirty days after the happening of such event, to make an election to have the conversion price of Series R Stock and Series S Stock, as the case may be, and certain other terms revert to the applicable conversion price and such other terms of the Series Q Stock for which such shares were originally exchanged.

Holders of Series R Stock or Series S Stock also have the right, exercisable for ten days after consummation of a New Financing to (i) exchange shares of preferred stock held by such party for an equivalent amount of securities issued in the New Financing and/or (ii) purchase securities on the same terms and conditions as the New Financing in an amount equal to the face amount of Series R Stock or Series S Stock, as the case may be, then held by such holder.

The Company has also agreed that it will, no later than thirty days after the date of the Closing, enter into agreements with the holders of its Series P Convertible Preferred Stock ("Series P Stock") to either restructure the Series P Stock on terms substantially similar to those provided for in the Agreement or have such holders agree that they shall not convert any additional shares of Series P Stock into shares of Common Stock prior to September 30, 1998.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits

(c) Exhibits

4.1 Certificate of Designation of Series R Convertible

Preferred Stock of Geotek Communications, Inc., dated February 18, 1998 (excluding any exhibits and schedules thereto).

4.2 Certificate of Correction Filed to Correct a Certain Error in the Certificate of Designation of Series R Convertible Preferred Stock of Geotek Communications, Inc., dated February 23, 1998 (excluding any exhibits and schedules thereto).

4.3 Certificate of Designation of Series S Convertible Preferred Stock of Geotek Communications, Inc., dated February 18, 1998 (excluding any exhibits and schedules thereto).

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10.1 Conversion and Exchange Agreement by and between Geotek Communications, Inc. and certain other parties, dated February 13, 1998 (excluding any exhibits and schedules thereto).

10.2 Registration Rights Agreement by and between Geotek Communications, Inc. and certain other parties, dated February 18, 1998 (excluding any exhibits and schedules thereto).

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GEOTEK COMMUNICATIONS, INC.

Date: February 24, 1998

By: /s/ Robert Vecsler

Name: Robert Vecsler

Title: Secretary and General Counsel

EXHIBIT INDEX

Exhibit No.

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CERTIFICATE OF DESIGNATION

of

SERIES R CONVERTIBLE PREFERRED STOCK

of

GEOTEK COMMUNICATIONS, INC.

(Pursuant to Section 151 of the
Delaware General Corporation Law)

Geotek Communications, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Company"), hereby certifies that the following resolutions were adopted by the Board of Directors of the Company pursuant to authority of the Board of Directors as required by Section 151 of the Delaware General Corporation Law:

RESOLVED, that pursuant to the authority granted to and vested in the Board of Directors of this Company (the "Board of Directors" or the "Board") in accordance with the provisions of its Restated Certificate of Incorporation, the Board of Directors hereby creates a series of the Company's previously authorized Preferred Stock, par value \$.01 per share (the "Preferred Stock"), and hereby states the designation and number of shares, and fixes the relative rights, preferences, privileges, powers and restrictions thereof as follows:

Series R Convertible Preferred Stock:

1. Definitions. For purposes hereof the following definitions shall apply:

"Approved Underwriter" shall mean Goldman Sachs & Co.; Merrill Lynch & Co.; Morgan Stanley & Co. Incorporated; Lehman Brothers Inc.; Smith Barney Inc.; Salomon Brothers Inc.; J.P. Morgan & Co.; PaineWebber Incorporated; Donaldson, Lufkin & Jenrette; Bear, Stearns & Co., Inc.; First Boston; Lazard Freres; or any successor to or affiliate of any of them.

"Average Stock Price" shall mean, as to any date, a price equal to the lowest daily volume-weighted average price of the Common Stock on the principal securities exchange or interdealer quotation system on which the Common Stock is traded during the four (4) trading days immediately preceding such date, as calculated by Bloomberg Financial Markets through its

"Volume at Price" function (or a comparable reporting service of national reputation selected by the Corporation and reasonably acceptable to holders of a majority of the Shares of Preferred Stock then outstanding (the "Majority Holders") if Bloomberg Financial Markets is not then reporting average prices of such security) (collectively, "Bloomberg"), or if the foregoing does not apply, the last reported sale price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no sale price is reported for such security by Bloomberg, the average of the bid prices of all market makers for such security as reported in the "pink sheets" by the National Quotation Bureau, Inc. If the Average Stock Price cannot be calculated for such security on such date on any of the foregoing bases, the Average Stock Price of such security on such date shall be the fair market value as reasonably determined by an investment banking firm selected by the Corporation and reasonably acceptable to the Majority Holders, with the costs of such appraisal to be borne by the Corporation; provided, however, that no sales transactions by a converting holder of the Series R Preferred Stock shall be given effect in calculating such Average Stock Price insofar as it applies to that holder.

"Board" shall mean the Board of Directors of the Company.

"Closing Date" shall mean the date of original issuance of the Series R Preferred Stock.

"Common Stock" shall mean the Common Stock, \$.01 par value per share, of the Company.

"Company" shall mean this corporation.

"Conversion and Exchange Agreement" shall mean that certain Conversion and Exchange Agreement, dated as of February 13, 1998, by and among the Company and the other signatories thereto.

"Conversion Date Market Price" shall mean, at any Holder Conversion Date, (i) \$2.00 or (ii) if a Holder of Series R Preferred Stock shall make an election (as defined below) for the Series R Preferred Stock held by such Holder only, the Average Stock Price, discounted by the percentage set forth in the table below (the "Applicable Percentage") opposite the period during which such Holder Conversion Date shall have occurred; provided that the Applicable Percentage shall be adjusted from time to time, as provided in the Registration Rights Agreement (as hereinafter defined).

Holder Conversion Date -----	Applicable Percentage -----
January 2, 1998 - March 31, 1998	5%
After March 31, 1998	10%

"Conversion Default" shall have the meaning set forth in Paragraph 9(b).

"Conversion Notice" shall have the meaning set forth in Paragraph 6(d).

"Conversion Rate" shall have the meaning set forth in Paragraph 6(c).

"Designated Price" shall mean \$50,000 per share, as adjusted pursuant to the terms hereof, plus all accrued and unpaid dividends.

"Dividend Stock Price" shall mean, as to any date, the average of the Market Price for Shares of Common Stock for the thirty (30) consecutive trading days commencing forty-five (45) trading days prior to the applicable date.

"Election" shall have the meaning set forth in Paragraph 7(g) hereof.

"Holder Conversion Date" shall have the meaning set forth in Paragraph 6(d).

"Junior Stock" shall mean the Common Stock and, unless the holders of Preferred Stock otherwise consent pursuant to Paragraph 5 hereof, all other shares of any other class or series of the Company's capital stock hereafter issued, other than (a) the Series R Preferred Stock, (b) Preferred Stock ranking pari passu to the Series R Preferred Stock (including, without limitation, the Company's Series O Convertible Preferred Stock, Series P Convertible Preferred Stock, and Series S Convertible Preferred Stock) as permitted below or (c) Preferred Stock ranking senior to the Series R Preferred Stock and authorized by the holders of the Series R Preferred Stock in accordance with Section 5 hereof; provided, however, the Company may from time to time, without the consent of the holders of the outstanding shares of the Series R Preferred Stock, authorize, create or issue additional series of Preferred Stock which rank pari passu to or do not have preference over the Series R Preferred Stock in respect of dividends, redemption or distribution upon liquidation.

"Market Price for Shares of Common Stock" shall mean the price of one share of Common Stock determined as follows:

(i) If the Common Stock is listed on the Nasdaq National Market, the daily closing price on the date of valuation;

(ii) If the Common Stock is listed on a national securities exchange, the daily closing price on the date of valuation;

(iii) If neither (i) nor (ii) apply, but the Common Stock is quoted on the Nasdaq Small Capital Market or the over-the-counter market on the pink sheets or bulletin board, the daily closing price thereof on the date of valuation; and

(iv) If neither clause (i), (ii) or (iii) above applies, the market value as determined by a nationally recognized investment banking firm or other nationally recognized financial advisor retained by the Company for such purpose and reasonably acceptable to the

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holders of Series R Preferred Stock, taking into consideration, among other factors, the earnings history, book value and prospects for the Company, and the prices at which shares of Common Stock recently have been traded. Such determination shall be conclusive and binding on all persons.

"Original Issuance Market Price" shall mean an amount equal to the Market Price for Shares of Common Stock on the Closing Date.

"Preferred Stock" shall mean the authorized shares of all series of the preferred stock of the Company.

"Redemption Price" shall have the meaning set forth in Section 14(d).

"Registration Rights Agreement" shall mean that certain Registration Rights Agreement, dated as of February 13, 1998, by and among the Company and the other signatories thereto.

"Series R Preferred Stock" shall mean the Series R Convertible Preferred Stock of the Company, \$.01 par value per share.

"Trigger Price" shall mean \$2.00 per share, as adjusted after the original issuance date of the Series R Preferred Stock upon any stock split, stock dividend, split up, recapitalization or other reorganization with respect to the Common Stock.

"Underlying Stock" shall mean those shares of the Company's Common Stock issuable upon (i) conversion of the Series R Preferred Stock and (ii) exercise of any Warrants.

"Warrants" shall mean warrants issued by the Company in connection with the issuance and redemption of the Series R Preferred Stock.

2. Designation and Number. The designation of the shares of Preferred

Stock authorized by these resolutions shall be "Series R Convertible Preferred Stock" (the "Series R Preferred Stock"). The authorized number of shares constituting the Series R Preferred Stock shall be three hundred fifty (350) shares and each share of Series R Preferred Stock shall rank equally in all respects.

3. Dividends. The Series R Preferred Stock shall accrue dividends at a rate of ten percent (10%) per annum on the Designated Price. Dividends on the Series R Preferred Stock shall accumulate and accrue from the date of its original issue and shall accrue from day to day thereafter, whether or not earned or declared. Dividends shall be payable, quarterly, in that number of shares of Common Stock purchasable by the dollar amount of the dividend described above, at the Dividend Stock Price as of the date such dividend is paid. Dividends on the Series R Preferred Stock for any quarterly period shall be declared by the Company and paid on the fifteenth (15th) day following the end of such quarter. If the Company is prohibited from paying any dividends, or otherwise fails to pay such dividends, for any quarterly period, the dividends shall be deemed to have accrued on such Series R Preferred Stock, and shall be capitalized to the

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Series R Preferred Stock as of the last day of the quarterly period, as if the dividend rate had been 12% per annum for such quarterly period, and the Designated Price for each share of Series R Preferred Stock shall be deemed to have been increased by the amount of such capitalized dividends. For as long as any Series R Preferred Stock is outstanding, the Company shall pay no dividends on Junior Stock, other than in shares of Junior Stock, without having first obtained the consent of the holder or holders of a majority of the Series R Preferred Stock then outstanding.

4. Liquidation Rights of Series R Preferred Stock. In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the Series R Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders, whether such assets are capital, surplus, or earnings, before any payment or declaration and setting apart for payment of any amount shall be made in respect of any Junior Stock, an amount equal to the Designated Price; provided, however, that upon the occurrence of any of the events described in (i), (ii) and (iii) below, the holders of the Series R Preferred Stock shall be entitled to an amount equal to the Redemption Price and not to the Designated Price. If upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the assets to be distributed to the holders of the Series R Preferred Stock shall be insufficient to permit the payment to such stockholders of the full preferential amounts aforesaid, then all of the assets of the Company to be distributed shall be distributed ratably to the holders of the Series R Preferred Stock and to any holders of any

series of Preferred Stock that ranks pari passu with the Series R Preferred Stock, on the basis of the liquidation value of the shares of Preferred Stock held. The Company shall promptly mail written notice of such liquidation, dissolution or winding up (with a copy sent by facsimile), but in any event such notice shall be given at least thirty (30) days prior to the effective date stated therein, but in any event not prior to the public announcement thereof, to each record holder of the Series R Preferred Stock. If the Company determines to effect a liquidation, dissolution or winding up of the Company, then, notwithstanding the limitations set forth in Paragraph 13 hereof, the Series R Preferred Stock shall thereupon, at the option of a holder thereof, be convertible in full, if so permitted by applicable law and if not otherwise in violation of an agreement to which the Company is a party or of the Company's Certificate of Incorporation or By-Laws. For purposes of this paragraph, (i) a sale or other disposition of all or substantially all of the assets of the Company, (ii) a consolidation or merger of the Company with or into any other corporation or other entity or person (whether or not the Company is the surviving corporation, but other than a merger or consolidation whereby the stockholders of the Company immediately preceding the merger or consolidation continue to own greater than fifty percent (50%) of the voting securities of the entity surviving such merger or consolidation), (iii) any person or any "group" (as such term is used in such Section 13(d) of the Securities Exchange Act of 1934, as amended) becomes the beneficial owner of in excess of fifty percent (50%) of the voting power of the Company's (or any successor entity's) capital stock (each of (i) through (iii), a "Disposition Transaction"), shall, at the option of each holder of Series R Preferred Stock, be deemed to be a liquidation, dissolution or winding up of the Company with respect to the shares of Series R Preferred Stock held by such holder.

5. Voting Rights. The holders of the Series R Preferred Stock will not have any voting rights except as set forth below or as otherwise from time to time required by law.

The affirmative approval (by vote or written consent as permitted by applicable law) of the holders of at least 66 2/3% of the outstanding shares of the Series R Preferred Stock, voting separately as a class, will be required for (i) any amendment, alteration or repeal of the Company's Certificate of Incorporation (including any Certificate of Designation, Rights and Preferences for any other series of Preferred Stock) if the amendment, alteration or repeal adversely affects the powers, preferences or rights of the Series R Preferred Stock (including, without limitation, by creating any class or series of equity securities having a preference over the Series R Preferred Stock with respect to dividends, redemption, distribution upon liquidation or in any other respect); or (ii) any amendment to or waiver of the terms of the Series R Preferred Stock or this Certificate of Designation,

provided, however, that no such approval shall be required for the authorization, creation or issuance of any shares of any additional series of Preferred Stock ranking pari passu to or which do not have any preference over the Series R Preferred Stock in respect of dividends, redemption or distribution upon liquidation. No approval of the holders of Series R Preferred Stock shall be required for the Company to effect a Disposition Transaction.

To the extent that under applicable law the approval of the holders of the Series R Preferred Stock, voting separately as a class is required to authorize a given action of the Company, the affirmative approval (by vote or written consent as permitted by applicable law) of the holders of a majority of the outstanding shares of the Series R Preferred Stock shall constitute the approval of such action by the class. To the extent that under applicable law the holders of the Series R Preferred Stock are entitled to vote on a matter with holders of the Common Stock, voting together as one class, each share of Series R Preferred Stock shall be entitled to that number of votes as shall be equal to the number of shares of Underlying Stock into which such shares could have been converted on the record date for any meeting of stockholders or on the date of any written consent of stockholders, as applicable. Holders of the Series R Preferred Stock shall be entitled to notice of all shareholder meetings or written consents (whether or not they are entitled to vote thereat), which notice will be provided pursuant to the Company's by-laws and applicable statutes.

6. Conversion. The holders of Series R Preferred Stock shall have the following conversion rights.

(a) Holder's Right to Convert. Subject to the restrictions set forth in Paragraphs 13 and 14(e) of this Certificate, each share of Series R Preferred Stock shall be convertible in whole or in part and from time to time, at the option of the holder thereof, into fully paid and nonassessable shares of Common Stock.

(b) Mandatory Conversion. Subject to the provisions of Paragraph 13(d) hereof, on the fifth anniversary of its issuance (the "Mandatory Conversion Date"), each and every share of Series R Preferred Stock shall be converted into the number of fully paid and nonassessable shares of Common Stock which may be purchased at the Conversion Date Market Price by dividing an amount equal to the Designated Price by such price without any action required to be taken by the holder thereof, and a Conversion Notice shall be deemed to be given by the holder of each share of Series R Preferred Stock on that date; provided, however, that no such mandatory conversion shall occur if, as of the Mandatory Conversion Date, the Company is (i) insolvent, (ii)

in bankruptcy proceedings or (iii) in material breach of any of the terms of this Certificate or of the Conversion and Exchange Agreement or the Registration Rights Agreement.

(c) Conversion Price for Holder of Converted Shares. Each share of the Series R Preferred Stock that is converted into shares of Common Stock shall be convertible into the number of shares of Common Stock which may be purchased by the Designated Price of such share of Series R Preferred Stock at the Conversion Date Market Price. The number of shares of Common Stock into which each share of Series R Preferred Stock may be converted pursuant to this paragraph is hereafter referred to as the "Conversion Rate."

(d) Mechanics of Conversion. Unless conversion is mandatory in accordance with Paragraph 6(b) hereof, in order to convert any or all shares of Series R Preferred Stock into full shares of Common Stock, the holder shall surrender the certificate or certificates therefor, duly endorsed, by either overnight courier or two-day courier, to the principal office of the Company or of any transfer agent for the Series R Preferred Stock, and shall give written notice (the "Conversion Notice"), and, if an Election has been made by such holder, such notice shall include the holder's summary of its trades on the relevant date utilized to determine the Average Stock Price with respect to such conversion, its calculation of the Conversion Rate and the number of shares of Common Stock issuable upon such conversion, by facsimile (with the original of such notice forwarded with the foregoing courier) to the Company at such office, that he elects to convert the number of shares specified therein, which such notice and election shall be irrevocable by the holder; provided, however, that the Company shall not be obligated to issue certificates evidencing the shares of the Common Stock issuable upon such conversion unless either the certificates evidencing the shares of Series R Preferred Stock are delivered to the Company or its transfer agent as provided above, or the holder notifies the Company that such certificates have been lost, stolen or destroyed and promptly executes an agreement reasonably satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates.

Immediately upon receipt of the Conversion Notice the Company shall verify the holder's calculation of the Conversion Rate as calculated by the holder or, if the Company disagrees with the holder's calculation of the Conversion Rate, deliver by facsimile the Company's calculation of the Conversion Rate. The Company shall use its best efforts to issue and deliver as soon as possible, and in any event within two (2) business days after delivery to the Company of certificates of the Series R Preferred Stock to be converted or after receipt of such agreement and indemnification, to such holder of Series R Preferred Stock at the address of the holder on the stock books of the Company, or to its designee, a certificate or certificates for the number of shares of Common Stock to which he shall be entitled as aforesaid, together with a certificate or certificates for the number of Series R Preferred Stock not submitted for conversion. The date on which the Conversion Notice is given (the "Holder Conversion Date") shall be deemed to be the date the Company received by facsimile the Conversion Notice, provided that the original shares of Series R Preferred Stock to be converted, or the aforesaid notice of lost, stolen or destroyed certificates, are received by the Company or any transfer agent for the Series R Preferred Stock within five (5) business days thereafter, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as

the record holder or holders of such shares of Common Stock on such date. If the aforesaid notice of lost,

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stolen or destroyed certificates is not received by the Company or any transfer agent for the Series R Preferred Stock within five (5) business days after the Holder Conversion Date, the Conversion Notice shall become null and void. In lieu of delivering physical certificates representing the Common Stock issuable upon conversion, provided the Company's transfer agent is participating in the Depository Trust Company ("DTC") Fast Automated Securities Transfer program, upon request of the Subscriber and so long as the certificates therefor do not bear a legend and the holder thereof is not obligated to return such certificate for the placement of a legend thereon, the Company shall use its best efforts to cause its transfer agent to electronically transmit the Common Stock issuable upon conversion to the Subscriber by crediting the account of Holder's prime broker or nominee with DTC through its Deposit Withdrawal Agent Commission ("DWAC") system.

(e) Issue and Franchise Taxes. The Company shall be, and the holders of Series R Preferred Stock shall not be, liable for any and all issue and franchise taxes payable in respect of issuance and delivery of Common Stock as contemplated by this Certificate.

7. Adjustments; Reorganizations.

(a) Adjustments for Certain Issuances . If the Corporation issues or sells any Common Stock or securities which are convertible into or exchangeable for its Common Stock, or any warrants or other rights to subscribe for or to purchase, or any options for the purchase of, its Common Stock or any other convertible or exchangeable securities (other than in connection with (i) the Series R Stock, (ii) the Series S Stock, (iii) any warrants issued in connection therewith, (iv) any shares of Common Stock issued in connection with the Conversion and Exchange Agreement, (v) a public offering, (vi) shares or options issued or which may be issued pursuant to the Company's employee or director option plans, (vii) shares issued upon exercise of options, warrants or rights outstanding on the date of the Conversion and Exchange Agreement or upon conversion, exercise or exchange of securities outstanding on the date of the Conversion and Exchange Agreement and convertible into or exercisable or exchangeable for other securities of the Corporation or (viii) a New Financing (as defined in Section 7(g) below)) at an effective purchase price per share less than the lesser of the Market Price for Shares of Common Stock at such time and the Conversion Date Market Price at such time, then in each such case, the Conversion Date Market Price shall be reduced effective concurrently with such issue or sale to an amount determined by multiplying the Conversion Date Market Price then in effect by a fraction (x) the numerator of which shall be the sum of (i) the number of shares of Common Stock outstanding immediately prior to

such issue or sale, plus (ii) the number of shares of Common Stock which the aggregate consideration received for such additional securities would purchase at the lesser of the Market Price for Shares of Common Stock or the Conversion Date Market Price, as the case may be, then in effect, plus (iii) the number of shares of Common Stock issuable upon exercise, conversion or exchange of all the Company's then outstanding convertible securities which are, as of the time of the new issuance, convertible or exchangeable into Common Stock and (y) the denominator of which shall be the sum of (i) the number of shares of Common Stock outstanding after such issue or sale, plus (ii) the number of shares of Common Stock issuable upon exercise, conversion or exchange of all the Company's then outstanding convertible securities which are, as of the time of the new issuance, convertible or exchangeable into Common Stock. Notwithstanding the foregoing, the rights contained in this Section 7(b) shall not apply with

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respect to any shares for which an Election is made. For purposes of this Section 7(a), the "aggregate consideration received" by the Corporation shall equal the total amount, if any, received or receivable by the Company as consideration for the issuance or sale of all such securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the exercise, conversion or exchange thereof at the time such securities become exercisable convertible or exchangeable.

(b) Adjustment for Stock Splits and Combinations; Adjustment for Certain Dividends and Distributions; If the Company at any time or from time to time after the Closing Date, during the period running from a Holder Conversion Date up to and including the day on which the conversion has been effected, effects a subdivision or combination of the outstanding Common Stock, the shares of Common Stock issuable upon the conversion and the Conversion Date Market Price in effect shall be proportionately adjusted to reflect the split or reverse split, as the case may be. Any adjustment under this Paragraph 7(b) shall become effective at the close of business on the date the subdivision or combination becomes effective. If the Company at any time or from time to time after the Closing Date, during the period running from a Holder Conversion Date up to and including the day on which the conversion has been effected, makes, or fixes a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock, then, and in each such event, the dividend or distribution, as the case may be, shall be made available to the holder effecting that conversion at the time at which the conversion becomes effective.

(c) Adjustment for Other Dividends and Distributions. Subject to the provisions contained in Paragraph 3 of this Certificate, in the event the Company, at any time or from time to time after the Closing Date, makes or fixes a record date for the determination of holders of Common Stock entitled to receive an extraordinary dividend or other distribution payable in securities of

the Company other than shares of Common Stock, and not an episodic dividend or distribution payable by the Company in the ordinary course, then and in each such event provision shall be made so that the holders of Series R Preferred Stock shall receive, upon conversion thereof pursuant to Paragraph 6 hereof, in addition to the number of shares of Common Stock receivable thereon, the amount of such other securities of the Company to which a holder on the relevant record or payment date, as applicable, of the number of shares of Common Stock so receivable upon conversion would have been entitled, plus any dividends or other distributions which would have been received with respect to such securities had such holder thereafter, during the period from the date of such event to and including the Holder Conversion Date, retained such securities, subject to all other adjustments called for during such period under this Section 7 with respect to the rights of the holders of the Series R Preferred Stock.

(d) Adjustment for Reclassification, Exchange and Substitution. In the event that at any time or from time to time after the Closing Date, the Common Stock issuable upon the conversion of the Series R Preferred Stock is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend or reorganization provided for elsewhere in this Paragraph 7), then and in each such event each holder of Series R Preferred Stock shall have the right thereafter to convert such stock into the kind of stock receivable upon such recapitalization, reclassification or other change by holders of shares of Common Stock, all

subject to further adjustment as provided herein. In such event, it shall be a condition precedent to any such transactions that the formula set forth herein for conversion shall be equitably adjusted in a manner reasonably acceptable to the holders of Series R Preferred Stock to reflect such change in number of shares or, if shares of a new class of stock are issued to reflect the market price of the class of classes of stock (applying the same factors used in determining the Market Price for Shares of Common Stock) issued in connection with the above described transaction.

(e) Reorganization. If at any time or from time to time after the Closing Date there is a capital reorganization of the Common Stock (other than a recapitalization, subdivision, combination, reclassification, or exchange of shares provided for elsewhere in this Paragraph 7), then as a part of such reorganization, provision shall be made so that the holders of the Series R Preferred Stock shall thereafter be entitled to receive upon conversion of the Series R Preferred Stock the number of shares of stock or other securities or property to which a holder of the number of shares of Common Stock deliverable upon conversion would have been entitled on such capital reorganization. In any such case, it shall be a condition precedent to any such transactions that

appropriate adjustment be made in the application of the provisions of this Paragraph 7 with respect to the rights of the holders of the Series R Preferred Stock after the reorganization to the end that the provisions of this Paragraph 7 (including adjustment of the number of shares issuable upon conversion of the Series R Preferred Stock) shall be applicable after that event and be as nearly equivalent as may be practicable, including, by way of illustration and not limitation, by equitably adjusting in a manner reasonably acceptable to the holders of the Series R Preferred Stock the formula set forth herein for conversion to reflect the market price of the securities or property (applying the same factors used in determining the Market Price for Shares of Common Stock) issued in connection with the above described transaction.

(f) Other Equity Offerings. In the event that a holder of Series R Preferred Stock makes an Election and thereafter the Company issues or sells any shares of its securities which are convertible into or exchangeable for its Common Stock or any convertible security, or any warrants or other rights subscribed for or to purchase any options or the purchase of its Common Stock or other securities (other than securities issued or which may be issued in conjunction with a public offering or pursuant to the Company's employee or director option plan or securities issued upon exercise, exchange or conversion of securities convertible into or exercisable or exchangeable for other securities of the Company, whether now or hereafter outstanding) (the "Equity Securities") which provide for the issuance of shares of Common Stock upon conversion or exchange of such security utilizing a conversion or exchange discount per share which during any period is greater than the Applicable Percentage applicable to the Series R Preferred Stock during such period, then, for so long as any such Equity Securities remain outstanding, the Applicable Percentage in respect of any conversion of Series R Preferred Stock during any such period for such holder shall be equal to the discount applicable to the Equity Securities during the relevant period.

(g) Election. If the Company fails to (i) file the Registration Statement (as defined in the Registration Rights Agreement) with the SEC on or prior to the Registration Date (as defined in the Registration Rights Agreement) and/or the Registration Statement is not declared effective on or prior to that date which is 120 days after the date of the Closing, (ii) receive at least \$30 million in net proceeds that can be applied in the first half of 1998 for general working capital

purposes from the sale of its European networks prior to March 15, 1998, (iii) receive at least \$25 million in proceeds from new financings prior to May 15, 1998 that can immediately be applied for general working capital purposes or (iv) receive at least \$50 million (in the aggregate, including the proceeds referred to in clause (iii) above) in proceeds from new financings prior to September 15, 1998 that can immediately be applied for general working capital

purposes (each of the financings referred to in clauses (iii) and (iv) shall be referred to as a "New Financing"), each holder of Series R Stock shall have the right, exercisable for thirty days after the happening of such event, by providing the Company with written notice to make an election (the "Election").

8. Fractional Shares. No fractional shares of Common Stock or scrip representing fractional shares of Common Stock shall be issuable hereunder. The number of shares of Common Stock that are issuable upon any conversion shall be rounded up or down to the nearest whole share.

9. Reservation of Stock Issuable Upon Conversion.

(a) Reservation Requirement. At all times while any shares of Series R Preferred Stock are outstanding, the Company shall reserve and keep available, free of preemptive rights, and subject to such legal limits and rules of exchanges on which the Common Stock may be traded, no less than one hundred five percent (105%) and, after an Election is made (as defined in the Series R Certificate of Designation and the Series S Certificate of Designation, as the case may be), no less than two hundred percent (200%) with respect to the shares of Preferred Stock for which an Election has been made, of that number of shares of Common Stock for which such outstanding shares of Series R Preferred Stock are then convertible, as equitably adjusted pursuant to any stock splits, split ups, recapitalization or reorganization of shares of Common Stock.

(b) Default; Cure. If the Company does not have a sufficient number of shares of Common Stock authorized, reserved or otherwise available to satisfy the Company's obligations to a holder of Series R Preferred Stock upon receipt of a Conversion Notice and/or holders of Warrants upon exercise thereof, or if the Company is otherwise prohibited by applicable law or by the rules or regulations of any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Company or its securities from issuing all of the Common Stock which is to be issued upon receipt of a Conversion Notice (each, a "Conversion Default"), each holder of the Series R Preferred Stock shall have the right to require the Company, if the Company is so permitted by applicable law and if not otherwise in violation of any agreement to which the Company is a party as of the date hereof or of the Company's Certificate of Incorporation or By-Laws, to redeem such holder's pro rata portion of the Series R Preferred Stock which the Company is then able to redeem, and to implement the cure procedures set forth in Paragraph 15(c) hereof.

10. No Reissuance of Series R Preferred Stock. No share or shares of Series R Preferred Stock acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued as Series R Preferred Stock, and all such shares shall be retired and shall return to the status of authorized, unissued and retired and undesignated shares of Preferred Stock. No shares of Series R Preferred Stock shall be authorized or issued after the date of the initial issuance of shares of Series R Preferred Stock pursuant to the Conversion and Exchange Agreement without

the consent of at least 66 2/3% in interest of the holders of Series R Preferred Stock outstanding immediately prior thereto.

11. No Impairment. The Company shall not intentionally take any action which would impair the rights and privileges of the shares of Series R Preferred Stock set forth herein.

12. Holder's Rights if Shares are Delisted or if Trading in Common Stock is Suspended. In the event that at any time on or after the date hereof and prior to the fifth anniversary of the Closing Date, trading in the shares of the Company's Common Stock is suspended on the principal market or exchange for such shares (which market or exchange shall be either the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange), for a period of ten (10) consecutive trading days, other than as a result of the suspension of trading in securities in general, or if such shares are delisted, then, at the holder's option, the Company, if so permitted by applicable law and if not otherwise in violation of an agreement to which the Company is a party or of the Company's Certificate of Incorporation or By-Laws, shall redeem such holder's shares of Series R Preferred Stock at the Redemption Price determined as set forth in Paragraph 14(b) hereof.

13. Limitations on Holder's Right to Convert.

(a) Minimum Conversion. Holders of Series R Preferred Stock may in no event convert less than one (1) share of Preferred Stock pursuant to a single Conversion Notice; provided, however, that during a Conversion Restriction Period no such minimum shall apply; provided, however, a Holder shall be permitted to convert a fraction of a share of Series R Preferred Stock if such Holder converts at least one share of Series R Preferred Stock.

(b) Intentionally Omitted

(c) Market Stand-Off. Each holder of Series R Preferred Stock, if so requested by the Company in connection with a firmly underwritten public offering of Common Stock managed by an Approved Underwriter pursuant to an effective registration statement, shall not convert any Series R Preferred Stock for sixty (60) days commencing upon the date specified by the Company (the "Stand-Off Period"), which shall not be earlier than the date the registration statement is filed, but in no event sooner than five (5) trading days after such holder's receipt of the Company's request; provided, however, that:

(i) the Company may only request, and the holders of Series R Preferred Stock shall only be subject to, one (1) Stand-Off Period during the twenty-four (24) month period immediately following the Closing Date and one (1) Stand-Off Period thereafter (provided that, if the Stand-Off Period terminates pursuant to clause (ii) below on any one occasion with respect to the

twenty-four (24) month period referred to above or on any separate occasion with respect to the remaining period thereafter, the Company may request and the holders will be subject to a Stand-Off Period on one additional occasion during such period); provided, however, the Company and the Approved Underwriter must reasonably believe that such public offering is likely to provide the Company with and the preliminary prospects relating to such public offering must show gross proceeds of not less than \$50,000,000 (the "Offering Size Condition"); provided,

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further, however, that the Offering Size Condition shall not apply to a holder who makes an Election;

(ii) the Market Stand-Off shall immediately terminate if the registration statement for the underwritten public offering is not declared effective on or before the forty-fifth (45th) business day after the Company's requested commencement date of the Stand-Off Period; and

(iii) the Mandatory Conversion Date shall be automatically extended by the aggregate number of days for which the restrictions imposed by the Stand-Off Period shall be effective.

(d) Notwithstanding anything to the contrary contained herein, each Conversion Notice shall contain a representation that, after giving effect to the shares of the Company's Common Stock to be issued pursuant to such Conversion Notice, the total number of shares of the Company's Common Stock deemed beneficially owned by the holder thereof, together with all shares of the Company's Common Stock deemed beneficially owned by such holder's "affiliates" as defined in Rule 144 promulgated under the Securities Act of 1933, as amended, (exclusive of shares issuable upon conversion of the unconverted portion of the Shares of Series R Preferred Stock or the unexercised or unconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitations contained herein) will not result in beneficial ownership by the holder and its affiliates of more than 4.9% of the outstanding shares of Common Stock. For purposes of this subparagraph, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended, and Regulation 13 D-G thereunder, except as otherwise provided above. Any Conversion Notice which does not contain such a representation shall be ineffective. The restriction contained in this Section 13(d) may be waived by each holder, with respect to such holder only, upon sixty-one (61) days advanced written notice to the Company.

14. Optional Redemption.

(a) If a holder of Series R Preferred Stock makes an Election, on one occasion prior to that date which is six (6) months after the Closing Date (the

"Six Month Anniversary"), so long as the Underlying Stock is subject to an effective registration statement and the Company's Common Stock is listed on the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange, the Company may, at its option, redeem at least fifty percent (50%) of the Series R Preferred Stock then outstanding with respect to which Elections have been made, on a pro rata basis among the holders thereof. In addition to the right provided in the preceding sentence, if a holder of Series R Preferred Stock makes an Election, and at any time prior to the Six Month Anniversary that the Underlying Stock is subject to an effective registration statement and the Company's Common Stock is listed on the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange, the Company may, at its option, redeem all, but not less than all, of the Series R Preferred Stock then outstanding. Any and all shares of the Series R Preferred Stock redeemed by the Company pursuant to this Section 14(a) shall be redeemed at a price equal to 110% of the Designated Price payable in cash and, in connection with such

redemption, the Company shall issue Warrants, in substantially the form attached hereto as Exhibit A, for the purchase of an aggregate of 1,833 shares of Common Stock for each share of Series R Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A). Such Warrants shall be exercisable for shares of Common Stock at an exercise price per share equal to 115% of the Market Price for Shares of Common Stock as of the date of redemption under this Paragraph 14(a).

(b) If a holder of Series R Preferred Stock makes an Election, the Company may also at its option redeem all, but not less than all, of the Series R Preferred Stock then outstanding with respect to which Elections have been made (i) at any time prior to that date which is two (2) years after the Closing Date (the "Second Anniversary") if the Market Price for Shares of Common Stock is below the Trigger Price or (ii) on the Second Anniversary, at a redemption price equal to 110% of the Designated Price for the shares of Series R Preferred Stock and in connection with such redemption the Company shall issue Warrants, in substantially the form attached hereto as Exhibit A, exercisable for 2,500 shares of Common Stock for each share of Series R Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A), at an exercise price equal to 130% of the Market Price for Shares of Common Stock as of the date of redemption under this Paragraph 14(b). In addition to the right provided in the preceding sentence, if the Company's option to redeem not less than fifty percent (50%) of the Series R Preferred Stock pursuant to paragraph (a) above has not been

exercised, on one occasion prior to the Six Month Anniversary, so long as the Underlying Stock is subject to an effective registration statement and the Company's Common Stock is listed on the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange, the Company may, at its option, redeem at least fifty percent (50%) of the Series R Preferred Stock then outstanding with respect to which Elections have been made, on a pro rata basis among the holders thereof, at the price provided for in the preceding sentence.

(c) In the case of a redemption of Series R Preferred Stock as a result of a Disposition Transaction, the Series R Preferred Stock shall be redeemed at a price equal to 110% of the Designated Price.

(d) The redemption price for any redemption of the Series R Preferred Stock as set forth in paragraph (a), (b) or (c) above shall be referred to herein as the "Redemption Price."

(e) Upon and following receipt of notice from the Company of an optional redemption of any or all of the shares of Series R Preferred Stock then outstanding in respect of which an Election has been made, each holder thereof may convert only that number of shares of Series R Preferred Stock as is necessary to cover hedges or short positions in the Company's Common Stock taken by that holder prior to the receipt of such notice.

15. Mechanics of Redemption.

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(a) Upon any redemption of Series R Preferred Stock, written notice shall be given to the Company or the holders of the Series R Preferred Stock, as applicable, for shares to be purchased or redeemed at least twenty (20) business days prior to the date fixed for redemption. The notice shall be addressed to the Company if applicable, or to each such holder at the address of such holder appearing on the books of the Company, or given by such holder to the Company for the purpose of notice, or, if no such address appears or is so given, at the last known address of such holder. Such notice shall specify the date fixed for redemption, shall state that shares of Series R Preferred Stock outstanding are to be redeemed and the number of shares of Series R Preferred Stock to be so redeemed, and shall call upon the holder to surrender on said date, at the place designated in the notice, the certificate or certificates representing the shares to be redeemed (in the case of redemptions pursuant to Section 14(d) hereof) on the date fixed for redemption stated in such notice. The Company shall only deliver notice of a redemption to the holders of Series R Preferred Stock if the Company, acting in good faith, reasonably believes that it will have an amount of funds equal to the aggregate Redemption Price payable in connection with such a redemption available for the payment of such aggregate Redemption Price on the date fixed for such redemption. Unless such person shall elect to convert some or all of the same into Common Stock in accordance with

Section 6 hereof, each holder of shares of Series R Preferred Stock called for such redemption shall surrender the certificate or certificates evidencing such shares at the place designated in such notice and shall thereupon be entitled to receive payment of the Redemption Price on the date fixed for redemption with respect to all unconverted shares.

(b) If, on or prior to any date fixed for redemption, the Company deposits, with any bank or trust company in the State of New Jersey or in the State of New York, as a trust fund, a sum (and duly executed warrants) sufficient to redeem all shares of Series R Preferred Stock called for redemption which have not theretofore been surrendered for conversion, with irrevocable instructions and authority to the bank or trust company to pay and deliver, on or after the date fixed for redemption, the Redemption Price of the shares to their respective holders upon the surrender of their share certificates, then from and after the date of redemption the shares to be redeemed shall be redeemed and dividends and other distributions on those shares shall cease to accrue after the date such shares were called for redemption. The deposit shall constitute full payment for the shares of Series R Preferred Stock to their holders and from and after the date of the deposit the shares of Series R Preferred Stock shall no longer be outstanding, and the holders thereof shall cease to be shareholders with respect to such shares, and shall have no rights with respect thereto except the right to receive from the bank or trust company payment of the Redemption Price of the shares without interest upon surrender of their certificates therefor and the right to receive from the Company any accrued dividends thereon through the date such shares were called for redemption. Any interest accrued on any fund so deposited shall be the property of, and paid to, the Company.

(c) The Company may cure the Conversion Default by either (i) promptly, and in no event later than ten (10) business days after the Conversion Default occurs, obtaining those consents of shareholders, note holders and others, if any, as shall be required in order to effect the balance of the conversion or redemption, as the case may be; or (ii) redeem not later than twenty (20) business days after the Conversion Default, the excess shares of Series R Preferred Stock and/or Warrants by paying the holders (A) cash per share in an amount equal to one hundred ten percent (110%) of the Market Price for Shares of Common Stock as of the Holder Conversion

Date, on an as converted basis and (B) Warrants in substantially the form attached hereto as Exhibit A, for the purchase of an aggregate of 2,500 shares of Common Stock for each share of Series R Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A) at an exercise price per share equal to 130% of the Market Price for shares of Common Stock as of the date of redemption; or

(iii) the Company may, not later than twenty (20) business days after the Conversion Default, issue to the relevant holders of excess shares of Series R Preferred Stock and/or Warrants such other securities of the Company, in exchange therefor, in such quantities, at such prices and subject to such terms and conditions as may be necessary in order to generate a value per share, in respect of the excess shares of Series R Preferred Stock and/or Warrants, as the case may be, before taxes equal to (A) one hundred ten percent (110%) of the Market Price for Shares of Common Stock as of the Holder Conversion Date, on an as converted basis and (B) Warrants in substantially the form attached hereto as Exhibit A, for the purchase of an aggregate of 2,500 shares of Common Stock for each share of Series R Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A) at an exercise price per share equal to 130% of the Market Price for shares of Common Stock as of the date of redemption. That value shall be established by taking the average of the valuations of those securities provided by three of the Approved Underwriters, one of whom shall have been selected by the relevant holder, one of whom shall have been selected by the Company and the third of whom will be selected by the first two Approved Underwriters.

(d) Upon any redemption of Series R Preferred Stock in accordance with the foregoing, all of such shares of Series R Preferred Stock shall be canceled and shall revert to the status of authorized and unissued shares of Preferred Stock.

16. Transfer Restrictions. Shares of Series R Preferred Stock may not be sold or otherwise transferred to a competitor of the Company engaged in, or to the knowledge of the holder thereof, planning to engage in the business of providing wireless voice or data communications services to mobile customers or of providing equipment in connection therewith.

17. Withholding Taxes. Notwithstanding anything herein, the Company may condition the making of any distribution (as such term is defined under applicable tax law) in respect of any share of Series R Preferred Stock on the holder of such share of Series R Preferred Stock depositing with the Company an amount of cash sufficient to enable the Company to satisfy its withholding tax obligations (the "Withholding Tax") with respect to such distribution. For the

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avoidance of doubt, the Company shall not be required to redeem any Series R Preferred Stock, and no dividends shall be capitalized as part of the Designated Price of any share of Series R Preferred Stock, as a result of the Company's failure to make a distribution because of a holder's failure to deliver the proper Withholding Tax with respect to any distribution.

18. Consent for Distributions and Redemptions. For so long as the

Subscribers and their Permitted Assignees (as such terms are defined in that certain Subscription Agreement dated as of June 14, 1996 by and among the Company, Renaissance Fund LDC ("Renaissance") and the other signatories thereto) own shares of the Company's Series N Cumulative Convertible Preferred Stock (the "Series N Preferred Stock") having an aggregate stated value of at least \$25,000,000, the Company must obtain Renaissance's consent prior to the declaration or payment of any dividend on the Series R Preferred Stock, or any redemption of Series R Preferred Stock for, cash or securities of the Company which rank senior to or on parity with the Series N Preferred Stock. Notwithstanding anything in this Certificate to the contrary, the Company shall not redeem any Series R Preferred Stock for cash upon the occurrence of a Disposition Transaction, a Conversion Default or the occurrence of an event described in Section 12 of this Certificate prior to any required purchase or payment of the Company's 15% Senior Secured Discount Notes due 2005 (the "1995 Notes") pursuant to Section 4.11 or Article Six of the Indenture dated as of June 30 1995 governing such 1995 Notes.

IN WITNESS WHEREOF the undersigned have executed this Certificate of Designation of Preferences at the City of Montvale, State of New Jersey, on this ___ day of February, 1998.

/s/ Yaron Eitan

Chairman

/s/ Robert Vecsler

Secretary

The undersigned declare under the penalty of perjury that the matters set forth in the foregoing Certificate are true of their own knowledge. Executed at Montvale, New Jersey, on the ___ day of February, 1998.

/s/ Yaron Eitan

Chairman

/s/ Robert Vecsler

Secretary

CERTIFICATE OF CORRECTION
FILED TO CORRECT A CERTAIN ERROR
IN THE
CERTIFICATE OF DESIGNATION
OF SERIES R CONVERTIBLE
PREFERRED STOCK
OF
GEOTEK COMMUNICATIONS, INC.
FILED IN THE OFFICE OF THE SECRETARY OF
STATE OF DELAWARE ON FEBRUARY 18, 1998

GEOTEK COMMUNICATIONS, INC., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

1. The name of the corporation is GEOTEK COMMUNICATIONS, INC.

2. That a Certificate of Designation of Series R Convertible Preferred Stock was filed by the Secretary of State of Delaware on February 18, 1998, and that said Certificate requires correction as permitted by Section 103(f) of the General Corporation Law of the State of Delaware.

3. The inaccuracy or defect of said Certificate to be corrected is that text was erroneously inserted in Section 2 of the Certificate of Designation of Series R Convertible Preferred Stock of Geotek Communications, Inc. and that said Section 2 is hereby corrected to read, in its entirety, as follows:

2. Designation and Number. The designation of the shares of Preferred Stock authorized by these resolutions shall be "Series R Convertible Preferred Stock" (the "Series R Preferred Stock"). The authorized number of shares constituting the Series R Preferred Stock shall be four hundred (400) shares and each share of Series R Preferred Stock shall rank equally in all respects.

IN WITNESS WHEREOF, said GEOTEK COMMUNICATIONS, INC. has caused this Certificate to be signed by Robert Vecsler, its General Counsel and Secretary on this 23rd day of February, 1998.

By: /s/ Robert Vecsler

CERTIFICATE OF DESIGNATION

of

SERIES S CONVERTIBLE PREFERRED STOCK

of

GEOTEK COMMUNICATIONS, INC.

(Pursuant to Section 151 of the
Delaware General Corporation Law)

Geotek Communications, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Company"), hereby certifies that the following resolutions were adopted by the Board of Directors of the Company pursuant to authority of the Board of Directors as required by Section 151 of the Delaware General Corporation Law:

RESOLVED, that pursuant to the authority granted to and vested in the Board of Directors of this Company (the "Board of Directors" or the "Board") in accordance with the provisions of its Restated Certificate of Incorporation, the Board of Directors hereby creates a series of the Company's previously authorized Preferred Stock, par value \$.01 per share (the "Preferred Stock"), and hereby states the designation and number of shares, and fixes the relative rights, preferences, privileges, powers and restrictions thereof as follows:

Series S Convertible Preferred Stock:

1. Definitions. For purposes hereof the following definitions shall apply:

"Approved Underwriter" shall mean Goldman Sachs & Co.; Merrill Lynch & Co.; Morgan Stanley & Co. Incorporated; Lehman Brothers Inc.; Smith Barney Inc.; Salomon Brothers Inc.; J.P. Morgan & Co.; PaineWebber Incorporated; Donaldson, Lufkin & Jenrette; Bear, Stearns & Co., Inc.; First Boston; Lazard Freres; or any successor to or affiliate of any of them.

"Average Stock Price" shall mean, as to any date, a price equal to the lowest daily volume-weighted average price of the Common Stock on the principal securities exchange or interdealer quotation system on which the Common Stock is traded during the four (4) trading days immediately preceding such date, as calculated by Bloomberg Financial Markets through its "Volume at

Price" function (or a comparable reporting service of national reputation selected by the Corporation and reasonably acceptable to holders of a majority of the Shares of Preferred Stock then outstanding (the "Majority Holders") if Bloomberg Financial Markets is not then reporting average prices of such security) (collectively, "Bloomberg"), or if the foregoing does not apply, the last reported sale price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no sale price is reported for such security by Bloomberg, the average of the bid prices of all market makers for such security as reported in the "pink sheets" by the National Quotation Bureau, Inc. If the Average Stock Price cannot be calculated for such security on such date on any of the foregoing bases, the Average Stock Price of such security on such date shall be the fair market value as reasonably determined by an investment banking firm selected by the Corporation and reasonably acceptable to the Majority Holders, with the costs of such appraisal to be borne by the Corporation. ; provided, however, that no sales transactions by a converting holder of the Series S Preferred Stock shall be given effect in calculating such Average Stock Price insofar as it applies to that holder.

"Board" shall mean the Board of Directors of the Company.

"Closing Date" shall mean the date of original issuance of the Series S Preferred Stock.

"Common Stock" shall mean the Common Stock, \$.01 par value per share, of the Company.

"Company" shall mean this corporation.

"Conversion and Exchange Agreement" shall mean that certain Conversion and Exchange Agreement, dated as of February 13, 1998, by and among the Company and the other signatories thereto.

"Conversion Date Market Price" shall mean, at any Holder Conversion Date, (i) \$4.00; provided, however, if the average closing bid price of the Common Stock for the ten trading day period immediately preceding August 18, 1998 is less than \$4.00, then the Conversion Date Market Price shall be \$3.00, and provided, further, that if the Conversion Date Market Price on February 18, 1999 is greater than 110% of the closing bid price of the Common Stock on February 18, 1999 (or the next succeeding trading day), then the Conversion Date Market Price shall be 110% of the closing bid price of the Common Stock on February 18, 1999 (or the next succeeding trading day) or (ii) if a Holder of Series S Stock shall make an Election (as defined below) for the Series S Preferred Stock held by such Holder only, the Average Stock Price,

discounted by the percentage set forth in the table below (the "Applicable Percentage") opposite the period during which such Holder Conversion Date shall have occurred; provided that the Applicable Percentage shall be adjusted from time to time, as provided in the Registration Rights Agreement (as hereinafter defined).

Holder Conversion Date -----	Applicable Percentage -----
January 2, 1998 - March 31, 1998	5%
After March 31, 1998	10%

"Conversion Default" shall have the meaning set forth in Paragraph 9(b).

"Conversion Notice" shall have the meaning set forth in Paragraph 6(d).

"Conversion Rate" shall have the meaning set forth in Paragraph 6(c).

"Designated Price" shall mean \$50,000 per share, as adjusted pursuant to the terms hereof, plus all accrued and unpaid dividends.

"Dividend Stock Price" shall mean, as to any date, the average of the Market Price for Shares of Common Stock for the thirty (30) consecutive trading days commencing forty-five (45) trading days prior to the applicable date.

"Election" shall have the meaning set forth in Paragraph 7(g) hereof.

"Holder Conversion Date" shall have the meaning set forth in Paragraph 6(d).

"Junior Stock" shall mean the Common Stock and, unless the holders of Preferred Stock otherwise consent pursuant to Paragraph 5 hereof, all other shares of any other class or series of the Company's capital stock hereafter issued, other than (a) the Series S Preferred Stock, (b) Preferred Stock ranking pari passu to the Series S Preferred Stock as permitted below (including, without limitation, the Company's Series O Convertible Preferred Stock, Series P Convertible Preferred Stock and Series R Convertible Preferred Stock) or (c) Preferred Stock ranking senior to the Series S Preferred Stock and authorized by the holders of the Series S Preferred Stock in accordance with Section 5 hereof; provided, however, the Company may from time to time, without the consent of the holders of the outstanding shares of the Series S Preferred Stock, authorize, create or issue additional series of Preferred Stock which rank pari passu to or do not have preference over the Series S Preferred Stock in respect of dividends, redemption or distribution upon liquidation.

"Market Price for Shares of Common Stock" shall mean the price of one share of Common Stock determined as follows:

(i) If the Common Stock is listed on the Nasdaq National Market, the daily closing price on the date of valuation;

(ii) If the Common Stock is listed on a national securities exchange, the daily closing price on the date of valuation;

(iii) If neither (i) nor (ii) apply, but the Common Stock is quoted on the Nasdaq Small Capital Market or the over-the-counter market on the pink sheets or bulletin board, the daily closing price thereof on the date of valuation; and

(iv) If neither clause (i), (ii) or (iii) above applies, the market value as determined by a nationally recognized investment banking firm or other nationally recognized financial advisor retained by the Company for such purpose and reasonably acceptable to the holders of Series S Preferred Stock, taking into consideration, among other factors, the earnings history, book value and prospects for the Company, and the prices at which shares of Common Stock recently have been traded. Such determination shall be conclusive and binding on all persons.

"Original Issuance Market Price" shall mean an amount equal to the Market Price for Shares of Common Stock on the Closing Date.

"Preferred Stock" shall mean the authorized shares of all series of the preferred stock of the Company.

"Redemption Price" shall have the meaning set forth in Section 14(d).

"Registration Rights Agreement" shall mean that certain Registration Rights Agreement, dated as of February 13, 1998, by and among the Company and the other signatories thereto.

"Series S Preferred Stock" shall mean the Series S Convertible Preferred Stock of the Company, \$.01 par value per share.

"Trigger Price" shall mean \$4.50 per share, as adjusted after the original issuance date of the Series S Preferred Stock upon any stock split, stock dividend, split up, recapitalization or other reorganization with respect to the Common Stock.

"Underlying Stock" shall mean those shares of the Company's Common Stock issuable upon (i) conversion of the Series S Preferred Stock and (ii) exercise of any Warrants.

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"Warrants" shall mean warrants issued by the Company in connection with the issuance and redemption of the Series S Preferred Stock.

2. Designation and Number. The designation of the shares of Preferred Stock authorized by these resolutions shall be "Series S Convertible Preferred Stock" (the "Series S Preferred Stock"). The authorized number of shares constituting the Series S Preferred Stock shall be one hundred forty (140) shares and each share of Series S Preferred Stock shall rank equally in all respects.

3. Dividends. The Series S Preferred Stock shall accrue dividends at a rate of ten percent (10%) per annum on the Designated Price. Dividends on the Series S Preferred Stock shall accumulate and accrue from the date of its original issue and shall accrue from day to day thereafter, whether or not earned or declared. Dividends shall be payable quarterly, in that number of shares of Common Stock purchasable by the dollar amount of the dividend described above, at the Dividend Stock Price as of the date such dividend is paid. Dividends on the Series S Preferred Stock for any quarterly period shall be declared by the Company and paid on the fifteenth (15th) day following the end of such quarter. If the Company is prohibited from paying any dividends, or otherwise fails to pay such dividends, for any quarterly period, the dividends shall be deemed to have accrued on such Series S Preferred Stock, and shall be capitalized to the Series S Preferred Stock as of the last day of the quarterly period, as if the dividend rate had been 12% per annum for such quarterly period, and the Designated Price for each share of Series S Preferred Stock shall be deemed to have been increased by the amount of such capitalized dividends. For as long as any Series S Preferred Stock is outstanding, the Company shall pay no dividends on Junior Stock, other than in shares of Junior Stock, without having first obtained the consent of the holder or holders of a majority of the Series S Preferred Stock then outstanding.

4. Liquidation Rights of Series S Preferred Stock. In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, the holders of the Series S Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders, whether such assets are capital, surplus, or earnings, before any payment or declaration and setting apart for payment of any amount shall be made in respect of any Junior Stock, an amount equal to the Designated Price; provided, however, that upon the occurrence of any of the

events described in (i), (ii) and (iii) below, the holders of the Series S Preferred Stock shall be entitled to an amount equal to the Redemption Price and not to the Designated Price. If upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, the assets to be distributed to the holders of the Series S Preferred Stock shall be insufficient to permit the payment to such stockholders of the full preferential amounts aforesaid, then all of the assets of the Company to be distributed shall be distributed ratably to the holders of the Series S Preferred Stock and to any holders of any series of Preferred Stock that ranks pari passu with the Series S Preferred Stock, on the basis of the liquidation value of the shares of Preferred Stock held. The Company shall promptly mail written notice of such liquidation, dissolution or winding up (with a copy sent by facsimile), but in any event such notice shall be given at least thirty (30) days prior to the effective date stated

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therein, but in any event not prior to the public announcement thereof, to each record holder of the Series S Preferred Stock. If the Company determines to effect a liquidation, dissolution or winding up of the Company, then, notwithstanding the limitations set forth in Paragraph 13 hereof, the Series S Preferred Stock shall thereupon, at the option of a holder thereof, be convertible in full, if so permitted by applicable law and if not otherwise in violation of an agreement to which the Company is a party or of the Company's Certificate of Incorporation or By-Laws. For purposes of this paragraph, (i) a sale or other disposition of all or substantially all of the assets of the Company, (ii) a consolidation or merger of the Company with or into any other corporation or other entity or person (whether or not the Company is the surviving corporation, but other than a merger or consolidation whereby the stockholders of the Company immediately preceding the merger or consolidation continue to own greater than fifty percent (50%) of the voting securities of the entity surviving such merger or consolidation), (iii) any person or any "group" (as such term is used in such Section 13(d) of the Securities Exchange Act of 1934, as amended) becomes the beneficial owner of in excess of fifty percent (50%) of the voting power of the Company's (or any successor entity's) capital stock (each of (i) through (iii), a "Disposition Transaction"), shall, at the option of each holder of Series S Preferred Stock, be deemed to be a liquidation, dissolution or winding up of the Company with respect to the shares of Series S Preferred Stock held by such holder.

5. Voting Rights. The holders of the Series S Preferred Stock will not have any voting rights except as set forth below or as otherwise from time to time required by law.

The affirmative approval (by vote or written consent as permitted by applicable law) of the holders of at least 66 2/3% of the outstanding shares

of the Series S Preferred Stock, voting separately as a class, will be required for (i) any amendment, alteration or repeal of the Company's Certificate of Incorporation (including any Certificate of Designation, Rights and Preferences for any other series of Preferred Stock) if the amendment, alteration or repeal adversely affects the powers, preferences or rights of the Series S Preferred Stock (including, without limitation, by creating any class or series of equity securities having a preference over the Series S Preferred Stock with respect to dividends, redemption, distribution upon liquidation or in any other respect); or (ii) any amendment to or waiver of the terms of the Series S Preferred Stock or this Certificate of Designation, provided, however, that no such approval shall be required for the authorization, creation or issuance of any shares of any additional series of Preferred Stock ranking pari passu to or which do not have any preference over the Series S Preferred Stock in respect of dividends, redemption or distribution upon liquidation. No approval of the holders of Series S Preferred Stock shall be required for the Company to effect a Disposition Transaction.

To the extent that under applicable law the approval of the holders of the Series S Preferred Stock, voting separately as a class is required to authorize a given action of the Company, the affirmative approval (by vote or written consent as permitted by applicable law) of the holders of a majority of the outstanding shares of the Series S Preferred Stock shall constitute the approval of such action by the class. To the extent that under applicable law the holders of the Series S Preferred Stock are entitled to vote on a matter with holders of the

Common Stock, voting together as one class, each share of Series S Preferred Stock shall be entitled to that number of votes as shall be equal to the number of shares of Underlying Stock into which such shares could have been converted on the record date for any meeting of stockholders or on the date of any written consent of stockholders, as applicable. Holders of the Series S Preferred Stock shall be entitled to notice of all shareholder meetings or written consents (whether or not they are entitled to vote thereat), which notice will be provided pursuant to the Company's by-laws and applicable statutes.

6. Conversion. The holders of Series S Preferred Stock shall have the following conversion rights.

(a) Holder's Right to Convert. Subject to the restrictions set forth in Paragraphs 13 and 14(e) of this Certificate, each share of Series S Preferred Stock shall be convertible in whole or in part and from time to time, at the option of the holder thereof, into fully paid and nonassessable shares of Common Stock.

(b) Mandatory Conversion. Subject to the provisions of Paragraph 13(d) hereof, on the fifth anniversary of its issuance (the "Mandatory Conversion Date"), each and every share of Series S Preferred Stock shall be converted into the number of fully paid and nonassessable shares of Common Stock which may be purchased at the Conversion Date Market Price by dividing an amount equal to the Designated Price by such price without any action required to be taken by the holder thereof, and a Conversion Notice shall be deemed to be given by the holder of each share of Series S Preferred Stock on that date; provided, however, that no such mandatory conversion shall occur if, as of the Mandatory Conversion Date, the Company is (i) insolvent, (ii) in bankruptcy proceedings or (iii) in material breach of any of the terms of this Certificate or of the Conversion and Exchange Agreement or the Registration Rights Agreement.

(c) Conversion Price for Holder of Converted Shares. Each share of the Series S Preferred Stock that is converted into shares of Common Stock shall be convertible into the number of shares of Common Stock which may be purchased by the Designated Price of such share of Series S Preferred Stock at the Conversion Date Market Price. The number of shares of Common Stock into which each share of Series S Preferred Stock may be converted pursuant to this paragraph is hereafter referred to as the "Conversion Rate."

(d) Mechanics of Conversion. Unless conversion is mandatory in accordance with Paragraph 6(b) hereof, in order to convert any or all shares of Series S Preferred Stock into full shares of Common Stock, the holder shall surrender the certificate or certificates therefor, duly endorsed, by either overnight courier or two-day courier, to the principal office of the Company or of any transfer agent for the Series S Preferred Stock, and shall give written notice (the "Conversion Notice"), and, if an Election has been made by such holder, such notice shall include the holder's summary of its trades on the relevant date utilized to determine the Average Stock Price with respect to such conversion, its calculation of the Conversion Rate and the number of shares of Common Stock issuable upon such conversion by facsimile (with the original of such

notice forwarded with the foregoing courier) to the Company at such office, that he elects to convert the number of shares specified therein, which such notice and election shall be irrevocable by the holder; provided, however, that the Company shall not be obligated to issue certificates evidencing the shares of the Common Stock issuable upon such conversion unless either the certificates evidencing the shares of Series S Preferred Stock are delivered to the Company or its transfer agent as provided above, or the holder notifies the Company that such certificates have been lost, stolen or destroyed and promptly executes an agreement reasonably satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates.

Immediately upon receipt of the Conversion Notice the Company shall verify the holder's calculation of the Conversion Rate as calculated by the holder or, if the Company disagrees with the holder's calculation of the Conversion Rate, deliver by facsimile the Company's calculation of the Conversion Rate. The Company shall use its best efforts to issue and deliver as soon as possible, and in any event within two (2) business days after delivery to the Company of certificates of the Series S Preferred Stock to be converted or after receipt of such agreement and indemnification, to such holder of Series S Preferred Stock at the address of the holder on the stock books of the Company, or to its designee, a certificate or certificates for the number of shares of Common Stock to which he shall be entitled as aforesaid, together with a certificate or certificates for the number of Series S Preferred Stock not submitted for conversion. The date on which the Conversion Notice is given (the "Holder Conversion Date") shall be deemed to be the date the Company received by facsimile the Conversion Notice, provided that the original shares of Series S Preferred Stock to be converted, or the aforesaid notice of lost, stolen or destroyed certificates, are received by the Company or any transfer agent for the Series S Preferred Stock within five (5) business days thereafter, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date. If the aforesaid notice of lost, stolen or destroyed certificates is not received by the Company or any transfer agent for the Series S Preferred Stock within five (5) business days after the Holder Conversion Date, the Conversion Notice shall become null and void. In lieu of delivering physical certificates representing the Common Stock issuable upon conversion, provided the Company's transfer agent is participating in the Depository Trust Company ("DTC") Fast Automated Securities Transfer program, upon request of the Subscriber and so long as the certificates therefor do not bear a legend and the holder thereof is not obligated to return such certificate for the placement of a legend thereon, the Company shall use its best efforts to cause its transfer agent to electronically transmit the Common Stock issuable upon conversion to the Subscriber by crediting the account of Holder's prime broker or nominee with DTC through its Deposit Withdrawal Agent Commission ("DWAC") system.

(e) Issue and Franchise Taxes. The Company shall be, and the holders of Series S Preferred Stock shall not be, liable for any and all issue and franchise taxes payable in respect of issuance and delivery of Common Stock as contemplated by this Certificate.

(a) Adjustment for Stock Splits and Combinations. If the Company at any time or from time to time after the Closing Date, during the period running from a Holder Conversion Date up to and including the day on which the conversion has been effected, effects a subdivision or combination of the outstanding Common Stock, the shares of Common Stock issuable upon the conversion and the Conversion Date Market Price in effect shall be proportionately adjusted to reflect the split or reverse split, as the case may be. Any adjustment under this Paragraph 7(a) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(b) Adjustment for Certain Dividends and Distributions. If the Company at any time or from time to time after the Closing Date, during the period running from a Holder Conversion Date up to and including the day on which the conversion has been effected, makes, or fixes a record date for the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock, then, and in each such event, the dividend or distribution, as the case may be, shall be made available to the holder effecting that conversion at the time at which the conversion becomes effective.

(c) Adjustment for Other Dividends and Distributions. Subject to the provisions contained in Paragraph 3 of this Certificate, in the event the Company, at any time or from time to time after the Closing Date, makes or fixes a record date for the determination of holders of Common Stock entitled to receive an extraordinary dividend or other distribution payable in securities of the Company other than shares of Common Stock, and not an episodic dividend or distribution payable by the Company in the ordinary course, then and in each such event provision shall be made so that the holders of Series S Preferred Stock shall receive, upon conversion thereof pursuant to Paragraph 6 hereof, in addition to the number of shares of Common Stock receivable thereon, the amount of such other securities of the Company to which a holder on the relevant record or payment date, as applicable, of the number of shares of Common Stock so receivable upon conversion would have been entitled, plus any dividends or other distributions which would have been received with respect to such securities had such holder thereafter, during the period from the date of such event to and including the Holder Conversion Date, retained such securities, subject to all other adjustments called for during such period under this Section 7 with respect to the rights of the holders of the Series S Preferred Stock.

(d) Adjustment for Reclassification, Exchange and Substitution. In the event that at any time or from time to time after the Closing Date, the Common Stock issuable upon the conversion of the Series S Preferred Stock is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend or reorganization provided for elsewhere in this Paragraph 7), then and in each such event each holder of Series S Preferred Stock shall have the right thereafter to convert such stock into the kind of stock receivable upon such recapitalization, reclassification or other change by holders of shares of Common Stock, all

subject to further adjustment as provided herein. In such event, it shall be a condition precedent to any such transactions that the formula set forth herein for conversion shall be equitably adjusted in a manner reasonably acceptable to the holders of Series S Preferred Stock to reflect such change in number of shares or, if shares of a new class of stock are issued to reflect the market price of the class of classes of stock (applying the same factors used in determining the Market Price for Shares of Common Stock) issued in connection with the above described transaction.

(e) Reorganization. If at any time or from time to time after the Closing Date there is a capital reorganization of the Common Stock (other than a recapitalization, subdivision, combination, reclassification, or exchange of shares provided for elsewhere in this Paragraph 7), then as a part of such reorganization, provision shall be made so that the holders of the Series S Preferred Stock shall thereafter be entitled to receive upon conversion of the Series S Preferred Stock the number of shares of stock or other securities or property to which a holder of the number of shares of Common Stock deliverable upon conversion would have been entitled on such capital reorganization. In any such case, it shall be a condition precedent to any such transactions that appropriate adjustment be made in the application of the provisions of this Paragraph 7 with respect to the rights of the holders of the Series S Preferred Stock after the reorganization to the end that the provisions of this Paragraph 7 (including adjustment of the number of shares issuable upon conversion of the Series S Preferred Stock) shall be applicable after that event and be as nearly equivalent as may be practicable, including, by way of illustration and not limitation, by equitably adjusting in a manner reasonably acceptable to the holders of the Series S Preferred Stock the formula set forth herein for conversion to reflect the market price of the securities or property (applying the same factors used in determining the Market Price for Shares of Common Stock) issued in connection with the above described transaction.

(f) Other Equity Offerings. In the event that the Company issues or sells any shares of its securities which are convertible into or exchangeable for its Common Stock or any convertible security, or any warrants or other rights subscribed for or to purchase any options or the purchase of its Common Stock or other securities (other than securities issued or which may be issued in conjunction with a public offering or pursuant to the Company's employee or director option plan or securities issued upon exercise, exchange or conversion of securities convertible into or exercisable or exchangeable for other securities of the Company, whether now or hereafter outstanding) (the "Equity Securities") which provide for the issuance of shares of Common Stock upon conversion or exchange of such security utilizing a conversion or exchange discount per share which during any period is greater than the Applicable Percentage applicable to the Series S Preferred Stock during such period, then, for so long as any such Equity Securities remain outstanding, the Applicable

Percentage in respect of any conversion of Series S Preferred Stock during any such period shall be equal to the discount applicable to the Equity Securities during the relevant period.

(g) Election. If the Company fails to (i) file the Registration Statement (as defined in the Registration Rights Agreement) with the SEC on or prior to the Registration Date (as defined in the Registration Rights Agreement) and/or the Registration Statement is not declared

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effective on or prior to that date which is 120 days after the date of the Closing, (ii) receive at least \$30 million in net proceeds that can be applied in the first half of 1998 for general working capital purposes from the sale of its European networks prior to March 15, 1998, (iii) receive at least \$25 million in proceeds from new financings prior to May 15, 1998 that can immediately be applied for general working capital purposes or (iv) receive at least \$50 million (in the aggregate, including the proceeds referred to in clause (iii) above) in proceeds from new financings prior to September 15, 1998 that can immediately be applied for general working capital purposes, each holder of Series S Stock shall have the right, exercisable for thirty days after the happening of such event, by providing the Company with written notice to make an election (the "Election").

8. Fractional Shares. No fractional shares of Common Stock or scrip representing fractional shares of Common Stock shall be issuable hereunder. The number of shares of Common Stock that are issuable upon any conversion shall be rounded up or down to the nearest whole share.

9. Reservation of Stock Issuable Upon Conversion.

(a) Reservation Requirement. At all times while any shares of Series S Preferred Stock are outstanding, the Company shall reserve and keep available, free of preemptive rights, and subject to such legal limits and rules of exchanges on which the Common Stock may be traded, no less than one hundred five percent (105%) and, after an Election is made (as defined in the Series R Certificate of Designation and the Series S Certificate of Designation, as the case may be), no less than two hundred percent (200%) with respect to the shares of Preferred Stock for which an Election has been made, of that number of shares of Common Stock for which such outstanding shares of Series S Preferred Stock are then convertible, as equitably adjusted pursuant to any stock splits, split ups, recapitalization or reorganization of shares of Common Stock.

(b) Default; Cure. If the Company does not have a sufficient number of shares of Common Stock authorized, reserved or otherwise available to satisfy the Company's obligations to a holder of Series S Preferred Stock upon

receipt of a Conversion Notice and/or holders of Warrants upon exercise thereof, or if the Company is otherwise prohibited by applicable law or by the rules or regulations of any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Company or its securities from issuing all of the Common Stock which is to be issued upon receipt of a Conversion Notice (each, a "Conversion Default"), each holder of the Series S Preferred Stock shall have the right to require the Company, if the Company is so permitted by applicable law and if not otherwise in violation of any agreement to which the Company is a party as of the date hereof or of the Company's Certificate of Incorporation or By-Laws, to redeem such holder's pro rata portion of the Series S Preferred Stock which the Company is then able to redeem, and to implement the cure procedures set forth in Paragraph 15(c) hereof.

10. No Reissuance of Series S Preferred Stock. No share or shares of Series S Preferred Stock acquired by the Company by reason of redemption, purchase, conversion or otherwise shall

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be reissued as Series S Preferred Stock, and all such shares shall be retired and shall return to the status of authorized, unissued and retired and undesignated shares of Preferred Stock. No shares of Series S Preferred Stock shall be authorized or issued after the date of the initial issuance of shares of Series S Preferred Stock pursuant to the Conversion and Exchange Agreement without the consent of at least 66 2/3% in interest of the holders of Series S Preferred Stock outstanding immediately prior thereto.

11. No Impairment. The Company shall not intentionally take any action which would impair the rights and privileges of the shares of Series S Preferred Stock set forth herein.

12. Holder's Rights if Shares are Delisted or if Trading in Common Stock is Suspended. In the event that at any time on or after the date hereof and prior to the fifth anniversary of the Closing Date, trading in the shares of the Company's Common Stock is suspended on the principal market or exchange for such shares (which market or exchange shall be either the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange), for a period of ten (10) consecutive trading days, other than as a result of the suspension of trading in securities in general, or if such shares are delisted, then, at the holder's option, the Company, if so permitted by applicable law and if not otherwise in violation of an agreement to which the Company is a party or of the Company's Certificate of Incorporation or By-Laws, shall redeem such holder's shares of Series S Preferred Stock at the Redemption Price determined as set forth in Paragraph 14(b) hereof.

13. Limitations on Holder's Right to Convert.

(a) Minimum Conversion. Holders of Series S Preferred Stock may in no event convert less than one (1) share of Preferred Stock pursuant to a single Conversion Notice; provided, however, that during a Conversion Restriction Period no such minimum shall apply; provided, however, a Holder shall be permitted to convert a fraction of a share of Series S Preferred Stock if such Holder converts at least one share of Series S Preferred Stock.

(b) Conversion Restriction Period. In the event that the Market Price for Shares of Common Stock is equal to or less than the Trigger Price for five (5) consecutive trading days, the Company may, at its option, at any time while the Market Price for Shares of Common Stock is at or remains below the Trigger Price, commence a conversion restriction period (a "Conversion Restriction Period") by providing to the holders of Series S Preferred Stock written notice thereof (the "Restriction Notice"). A Conversion Restriction Period shall begin, with regards to each holder of Series S Preferred Stock, on the fifth (5th) trading day after such holder receives the Restriction Notice and shall terminate on the earliest of (i) the sixtieth (60th) calendar day after such date, (ii) the fifth (5th) consecutive trading day during the Conversion Restriction Period for which the Market Price for Shares of Common Stock exceeds the Trigger Price and (iii) the Company's election, by notice to the holder, to terminate such Conversion Restriction Period; provided, however, that in no event shall the aggregate number of calendar days subject to all Conversion Restriction Periods exceed sixty (60).

Holders of Series S Preferred Stock may not exercise the right to convert such Preferred Stock during the first ten (10) trading days of any single Conversion Restriction Period. Thereafter, the aggregate Designated Price of all shares of Series S Preferred Stock which may be converted on any Holder Conversion Date during any Conversion Restriction Period shall not exceed \$50,000. If less than all shares of Series S Preferred Stock attempted to be converted on any Holder Conversion Date may be converted due to operation of the immediately preceding sentence, the shares of Series S Preferred Stock to be converted shall be converted pro rata from all shares of Series S Preferred Stock properly tendered for conversion pursuant to Paragraph 6 of this Certificate.

(c) Market Stand-Off. Each holder of Series S Preferred Stock, if so requested by the Company in connection with a firmly underwritten public offering of Common Stock managed by an Approved Underwriter pursuant to an effective registration statement, shall not convert any Series S Preferred Stock for sixty (60) days commencing upon the date specified by the Company (the "Stand-Off Period"), but in no event sooner than five (5) trading days after

such holder's receipt of the Company's request; provided, however, that:

(i) the Company may only request, and the holders of Series S Preferred Stock shall only be subject to, one (1) Stand-Off Period during the twenty-four (24) month period immediately following the Closing Date and one (1) Stand-Off Period thereafter (provided that, if the Stand-Off Period terminates pursuant to clause (ii) below on any one occasion with respect to the twenty-four (24) month period referred to above or on any separate occasion with respect to the remaining period thereafter, the Company may request and the holders will be subject to a Stand-Off Period on one additional occasion during such period);

(ii) the Market Stand-Off shall immediately terminate if the registration statement for the underwritten public offering is not declared effective on or before the forty-fifth (45th) business day after the Company's requested commencement date of the Stand-Off Period; and

(iii) the Mandatory Conversion Date shall be automatically extended by the aggregate number of days for which the restrictions imposed by the Stand-Off Period shall be effective.

(d) Notwithstanding anything to the contrary contained herein, each Conversion Notice shall contain a representation that, after giving effect to the shares of the Company's Common Stock to be issued pursuant to such Conversion Notice, the total number of shares of the Company's Common Stock deemed beneficially owned by the holder thereof, together with all shares of the Company's Common Stock deemed beneficially owned by such holder's "affiliates" as defined in Rule 144 promulgated under the Securities Act of 1933, as amended, (exclusive of shares issuable upon conversion of the unconverted portion of the Shares of Series S Preferred Stock or the unexercised or unconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitations contained herein) will not

result in beneficial ownership by the holder and its affiliates of more than 4.9% of the outstanding shares of Common Stock. For purposes of this subparagraph, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended, and Regulation 13 D-G thereunder, except as otherwise provided above. Any Conversion Notice which does not contain such a representation shall be ineffective. The restriction contained in this Section 13(d) may be waived by each holder, with respect to such holder only, upon sixty-one (61) days advanced written notice to the Company.

(e) Cap Amount. Unless permitted by the applicable rules and

regulations of the principal securities market on which the Common Stock is listed or traded, in no event shall the total number of shares of Common Stock issued upon conversion of the Series S Preferred Stock exceed the maximum number of shares of Common Stock that the Company can so issue pursuant to the rules of the Nasdaq SmallCap or National Market ("Nasdaq") (or any successor rule) (the "Cap Amount"). In the event the Company is prohibited from issuing shares of Common Stock as a result of the operation of this subparagraph (ii), the Company shall comply with Section (g) below).

(f) Obligation to Cure. If at any time the then unissued portion of Holder's Cap Amount is less than 135% of the number of shares then issuable upon conversion of Series S Preferred Stock (a "Trading Market Trigger Event"), the Company shall immediately notify the Holders of such occurrence and shall take immediate action (including, if necessary, seeking the approval of its shareholders to authorize the issuance of the full number of shares of Common Stock which would be issuable upon the conversion of Series S Preferred Stock but for the Cap Amount) to eliminate any prohibitions under applicable law or the rules or regulations of any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Company or any of its securities on the Company's ability to issue Common Stock in excess of the Cap Amount. In the event the Company fails to eliminate all such prohibitions within ninety (90) days after the Trading Market Trigger Event, Holder shall thereafter have the option, exercisable in whole or in part at any time and from time to time by delivery of a notice of redemption (a "Redemption Notice") to the Company, to require the Company to pay for cash, at the Redemption Price (as defined below), a portion of the then unissued portion of the Holder's Cap Amount such that, after giving effect to such prepayment, Holder's allocated portion of the Cap Amount exceeds 135% of the total number of Ordinary Shares issuable to Holder upon conversion of such Holder's Series S Preferred Stock on the date of the default. Additionally, if at any time and from time to time the then unissued portion of Holder's Cap Amount is less than the number of shares of Common Stock then issuable upon conversion of such Holder's Series S Preferred Stock, Holder shall thereafter have the option, exercisable in whole or in part at any time and from time to time by delivery of a Redemption Notice to the Company, to require the Company to pay for cash, at the Redemption Amount, a portion of the then unissued portion of such Holder's Cap Amount (and accrued and unpaid dividends thereon) such that, after giving effect to such prepayment, Holder's allocated portion of the Cap Amount equals the total number of shares of Common Stock issuable to Holder upon conversion of such Holder's Series S Preferred Stock on the date of such Redemption Notice.

14. Optional Redemption.

(a) On one occasion prior to that date which is six (6) months after the Closing Date (the "Six Month Anniversary"), so long as the Underlying Stock is subject to an effective registration statement and the Company's Common Stock is listed on the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange, the Company may, at its option, redeem at least fifty percent (50%) of the Series S Preferred Stock then outstanding, on a pro rata basis among the holders thereof. In addition to the right provided in the preceding sentence, at any time prior to the Six Month Anniversary that the Underlying Stock is subject to an effective registration statement and the Company's Common Stock is listed on the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange, the Company may, at its option, redeem all, but not less than all, of the Series S Preferred Stock then outstanding. Any and all shares of the Series S Preferred Stock redeemed by the Company pursuant to this Section 14(a) shall be redeemed at a price equal to 110% of the Designated Price payable in cash and, in connection with such redemption, the Company shall issue Warrants, in substantially the form attached hereto as Exhibit A, for the purchase of an aggregate of 1,833 shares of Common Stock for each share of Series S Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A). Such Warrants shall be exercisable for shares of Common Stock at an exercise price per share equal to 115% of the Market Price for Shares of Common Stock as of the date of redemption under this Paragraph 14(a).

(b) The Company may also at its option redeem all, but not less than all, of the Series S Preferred Stock then outstanding (i) at any time prior to that date which is two (2) years after the Closing Date (the "Second Anniversary") if the Market Price for Shares of Common Stock is below the Trigger Price or (ii) on the Second Anniversary, at a redemption price equal to 110% of the Designated Price for the shares of Series S Preferred Stock and in connection with such redemption the Company shall issue Warrants, in substantially the form attached hereto as Exhibit A, exercisable for 2,500 shares of Common Stock for each share of Series S Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A), at an exercise price equal to 130% of the Market Price for Shares of Common Stock as of the date of redemption under this Paragraph 14(b). In addition to the right provided in the preceding sentence, if the Company's option to redeem not less than fifty percent (50%) of the Series S Preferred Stock pursuant to paragraph (a) above has not been exercised, on one occasion prior to the Six Month Anniversary, so long as the Underlying Stock is subject to an effective registration statement and the Company's Common Stock is listed on the Nasdaq National Market, the American Stock Exchange or the New York Stock Exchange, the Company may, at its option, redeem at least fifty percent (50%) of the Series S Preferred stock then outstanding, on a pro rata basis among the holders thereof, at the price provided for in the preceding sentence.

(c) In the case of a redemption of Series S Preferred Stock as a result of a Disposition Transaction, the Series S Preferred Stock shall be redeemed at a price equal to 110% of the Designated Price.

(d) The redemption price for any redemption of the Series S Preferred Stock as set forth in paragraph (a), (b) or (c) above shall be referred to herein as the "Redemption Price."

(e) Upon and following receipt of notice from the Company of an optional redemption of any or all of the shares of Series S Preferred Stock then outstanding, each holder thereof may convert only that number of shares of Series S Preferred Stock as is necessary to cover hedges or short positions in the Company's Common Stock taken by that holder prior to the receipt of such notice.

15. Mechanics of Redemption.

(a) Upon any redemption of Series S Preferred Stock, written notice shall be given to the Company or the holders of the Series S Preferred Stock, as applicable, for shares to be purchased or redeemed at least twenty (20) business days prior to the date fixed for redemption. The notice shall be addressed to the Company if applicable, or to each such holder at the address of such holder appearing on the books of the Company, or given by such holder to the Company for the purpose of notice, or, if no such address appears or is so given, at the last known address of such holder. Such notice shall specify the date fixed for redemption, shall state that shares of Series S Preferred Stock outstanding are to be redeemed and the number of shares of Series S Preferred Stock to be so redeemed, and shall call upon the holder to surrender on said date, at the place designated in the notice, the certificate or certificates representing the shares to be redeemed (in the case of redemptions pursuant to Section 14(d) hereof) on the date fixed for redemption stated in such notice. The Company shall only deliver notice of a redemption to the holders of Series S Preferred Stock if the Company, acting in good faith, reasonably believes that it will have an amount of funds equal to the aggregate Redemption Price payable in connection with such a redemption available for the payment of such aggregate Redemption Price on the date fixed for such redemption. Unless such person shall elect to convert some or all of the same into Common Stock in accordance with Section 6 hereof, each holder of shares of Series S Preferred Stock called for such redemption shall surrender the certificate or certificates evidencing such shares at the place designated in such notice and shall thereupon be entitled to receive payment of the Redemption Price on the date fixed for redemption with respect to all unconverted shares.

(b) If, on or prior to any date fixed for redemption, the Company

deposits, with any bank or trust company in the State of New Jersey or in the State of New York, as a trust fund, a sum (and duly executed warrants) sufficient to redeem all shares of Series S Preferred Stock called for redemption which have not theretofore been surrendered for conversion, with irrevocable instructions and authority to the bank or trust company to pay and deliver, on or after the date fixed for redemption, the Redemption Price of the shares to their respective holders upon the surrender of their share certificates, then from and after the date of redemption the shares to be

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redeemed shall be redeemed and dividends and other distributions on those shares shall cease to accrue after the date such shares were called for redemption. The deposit shall constitute full payment for the shares of Series S Preferred Stock to their holders and from and after the date of the deposit the shares of Series S Preferred Stock shall no longer be outstanding, and the holders thereof shall cease to be shareholders with respect to such shares, and shall have no rights with respect thereto except the right to receive from the bank or trust company payment of the Redemption Price of the shares without interest upon surrender of their certificates therefor and the right to receive from the Company any accrued dividends thereon through the date such shares were called for redemption. Any interest accrued on any fund so deposited shall be the property of, and paid to, the Company.

(c) The Company may cure the Conversion Default by either (i) promptly, and in no event later than ten (10) business days after the Conversion Default occurs, obtaining those consents of shareholders, note holders and others, if any, as shall be required in order to effect the balance of the conversion or redemption, as the case may be; or (ii) redeem not later than twenty (20) business days after the Conversion Default, the excess shares of Series S Preferred Stock and/or Warrants by paying the holders (A) cash per share in an amount equal to one hundred ten percent (110%) of the Market Price for Shares of Common Stock as of the Holder Conversion Date, on an as converted basis and (B) Warrants in substantially the form attached hereto as Exhibit A, for the purchase of an aggregate of 2,500 shares of Common Stock for each share of Series S Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A) at an exercise price per share equal to 130% of the Market Price for shares of Common Stock as of the date of redemption; or (iii) the Company may, not later than twenty (20) business days after the Conversion Default, issue to the relevant holders of excess shares of Series S Preferred Stock and/or Warrants such other securities of the Company, in exchange therefor, in such quantities, at such prices and subject to such terms and conditions as may be necessary in order to generate a value per share, in respect of the excess shares of Series S

Preferred Stock and/or Warrants, as the case may be, before taxes equal to (A) one hundred ten percent (110%) of the Market Price for Shares of Common Stock as of the Holder Conversion Date, on an as converted basis and (B) Warrants in substantially the form attached hereto as Exhibit A, for the purchase of an aggregate of 2,500 shares of Common Stock for each share of Series S Preferred Stock redeemed (subject to adjustment for any stock splits, split ups, stock dividends, recapitalization or other reorganizations occurring after the Closing Date in accordance with the mechanisms set forth in Section 5 (a), (b), (d) or (e) of the form of Warrant attached hereto as Exhibit A) at an exercise price per share equal to 130% of the Market Price for shares of Common Stock as of the date of redemption. That value shall be established by taking the average of the valuations of those securities provided by three of the Approved Underwriters, one of whom shall have been selected by the relevant holder, one of whom shall have been selected by the Company and the third of whom will be selected by the first two Approved Underwriters.

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(d) Upon any redemption of Series S Preferred Stock in accordance with the foregoing, all of such shares of Series S Preferred Stock shall be canceled and shall revert to the status of authorized and unissued shares of Preferred Stock.

16. Transfer Restrictions. Shares of Series S Preferred Stock may not be sold or otherwise transferred to a competitor of the Company engaged in, or to the knowledge of the holder thereof, planning to engage in the business of providing wireless voice or data communications services to mobile customers or of providing equipment in connection therewith.

17. Withholding Taxes. Notwithstanding anything herein, the Company may condition the making of any distribution (as such term is defined under applicable tax law) in respect of any share of Series S Preferred Stock on the holder of such share of Series S Preferred Stock depositing with the Company an amount of cash sufficient to enable the Company to satisfy its withholding tax obligations (the "Withholding Tax") with respect to such distribution. For the avoidance of doubt, the Company shall not be required to redeem any Series S Preferred Stock, and no dividends shall be capitalized as part of the Designated Price of any share of Series S Preferred Stock, as a result of the Company's failure to make a distribution because of a holder's failure to deliver the proper Withholding Tax with respect to any distribution.

18. Consent for Distributions and Redemptions. For so long as the Subscribers and their Permitted Assignees (as such terms are defined in that certain Subscription Agreement dated as of June 14, 1996 by and among the Company, Renaissance Fund LDC ("Renaissance") and the other signatories thereto)

own shares of the Company's Series N Cumulative Convertible Preferred Stock (the "Series N Preferred Stock") having an aggregate stated value of at least \$25,000,000, the Company must obtain Renaissance's consent prior to the declaration or payment of any dividend on the Series S Preferred Stock, or any redemption of Series S Preferred Stock for, cash or securities of the Company which rank senior to or on parity with the Series N Preferred Stock. Notwithstanding anything in this Certificate to the contrary, the Company shall not redeem any Series S Preferred Stock for cash upon the occurrence of a Disposition Transaction, a Conversion Default or the occurrence of an event described in Section 12 of this Certificate prior to any required purchase or payment of the Company's 15% Senior Secured Discount Notes due 2005 (the "1995 Notes") pursuant to Section 4.11 or Article Six of the Indenture dated as of June 30 1995 governing such 1995 Notes.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF the undersigned have executed this Certificate of Designation of Preferences at the City of Montvale, State of New Jersey, on this ___ day of February, 1998.

/s/ Yaron Eitan

Chairman

/s/ Robert Vecsler

Secretary

The undersigned declare under the penalty of perjury that the matters set forth in the foregoing Certificate are true of their own knowledge. Executed at Montvale, New Jersey, on the ___ day of February, 1998.

/s/ Yaron Eitan

Chairman

/s/ Robert Vecsler

Secretary

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CONVERSION AND EXCHANGE AGREEMENT

This Conversion and Exchange Agreement (the "Agreement"), dated as of February 13, 1998, has been executed by each of the undersigned investors whose name and signature appear on the signature page hereof (each individually, an "Investor" and collectively, the "Investors").

BACKGROUND

A. As of the date hereof, each of the Investors owns the number of shares of Series O Convertible Preferred Stock, \$.01 par value per share (the "Series O Stock") of Geotek Communications, Inc., a Delaware corporation (the "Company") and Series Q Convertible Preferred Stock, \$.01 par value per share (the "Series Q Stock") as is set forth opposite such Investor's name on Exhibit A hereto.

B. The Company has agreed and each of the Investors, severally and not jointly, has agreed that each Investor will (i) convert shares of Series O Stock and/or Series Q Stock which they own into shares of Common Stock, \$.01 par value per share, of the Company ("Common Stock"), (ii) exchange shares of Series O Stock and/or Series Q Stock for shares of a newly created series of preferred stock of the Company designated "Series R Preferred Stock" (the "Series R Stock"), (iii) exchange shares of Series O Stock and/or Series Q Stock for shares of a newly created series of preferred stock of the Company designated "Series S Preferred Stock" (the "Series S Stock" and collectively with the Series R Stock, the "Preferred Stock") and/or (iv) retain shares of Series O Stock and Series Q Stock; all in the amounts set forth in Exhibit A hereto and on the terms and conditions set forth herein. The rights and preferences of the Series R Stock and the Series S Stock, including the terms on which the Series R Stock and Series S Stock may be converted into Common Stock, are set forth in the Certificates of Designation attached hereto as Exhibit B (the "Series R Certificate of Designation") and Exhibit C (the "Series S Certificate of Designation"), respectively, each of which shall have been executed, acknowledged, filed, recorded and become effective in accordance with the General Corporation Law of the State of Delaware prior to the Closing (as defined below).

C. The solicitation of this Agreement and, if accepted by the Company, the issuance of Preferred Stock is being made in reliance upon the provisions of Regulation D ("Regulation D") promulgated by the Securities and Exchange Commission ("SEC") under the United States Securities Act of 1933, as amended (the "Securities Act"), or under the provisions of Section 4(2) of the Securities Act. The Preferred Stock and the Common Stock issuable upon conversion or exercise thereof are sometimes collectively referred to

in this Agreement as the "Securities." The Common Stock issuable upon conversion

of the Preferred Stock is sometimes referred to as the "Underlying Stock."

In consideration of the mutual promises, representations, warranties and conditions set forth herein, and intending to be legally bound hereby, the Company and the Investors agree as follows:

1. Agreement; the Investors

1.1 Agreement. Each Investor, severally and not jointly, hereby agrees that at the Closing (as defined below) it will (i) convert shares of Series O Stock and/or Series Q Stock which they own into shares of Common Stock, (ii) exchange shares of Series O Stock and/or Series Q Stock for shares of Series R Stock, at a rate of 1.1111 shares of Series R Stock for each one share of Series O Stock or Series Q Stock, (iii) exchange shares of Series O Stock and/or Series Q Stock for shares of Series S Stock, at a rate of one share of Series S Stock for each share of Series O Stock or Series Q Stock and/or (iv) retain shares of Series O Stock and Series Q Stock; all in the amounts set forth in Exhibit A hereto and on the terms and conditions set forth herein. The closing of the transactions contemplated hereby (the "Closing") shall occur on February __, 1998 or such other date as the Company and the Investors shall agree (the "Closing Date") and shall occur when all of the conditions to the Company's and the Investors' obligations under Sections 1.3 and 1.4, respectively, have been satisfied or waived by the appropriate party.

1.2 Nature of the Investor. Each Investor is obtaining the Preferred Stock for its own account and each Investor severally represents and warrants that it is an "Accredited Investor" as that term is defined in Rule 501 of Regulation D.

1.3 Conditions Precedent to the Obligation of the Company to Issue the Preferred Stock. The obligation hereunder of the Company to issue the Preferred Stock to each Investor and otherwise to consummate the transactions contemplated hereby is subject to the satisfaction, at or before the Closing, of each of the conditions set forth below. These conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion by delivering prior written notice of any such waiver to each Investor.

(a) Accuracy of the Investor's Representations and Warranties. The representations and warranties of such Investor shall be true and correct as of the date when made and as of the Closing Date as though made at each such time.

- (b) Performance by the Investor. Such Investor shall have performed, satisfied and complied in all respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by such Investor at or prior to the Closing.
- (c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction or any stock exchange, interdealer quotation system or other self-regulatory organization with jurisdiction over the Company or its securities which prohibits or adversely affects any of the transactions contemplated by this Agreement, nor shall any proceeding have been commenced which may have the effect of prohibiting or adversely affecting any of the transactions contemplated by this Agreement.
- (d) Side Letter Agreement. The Company and each such Investor which is receiving shares of Series S Stock shall have entered into a letter agreement in substantially the form attached hereto as Exhibit D concerning block trade sales, short sale transactions and certain other matters (the "Side Letter Agreement").
- (e) Release. Each Investor shall have executed and delivered to the Company a Release in the form attached hereto as Exhibit E.
- (f) Delivery of Securities. Each Investor shall have delivered to the Company certificates representing the shares of Series O Stock and/or Series Q Stock which are being exchanged for shares of Series R Stock and/or Series S Stock.

1.4 Conditions Precedent to the Obligation of the Investor. The obligation of each Investor to consummate the transactions contemplated hereby is subject to the satisfaction, at or before the Closing, of each of the conditions set forth below. These conditions are for each Investor's sole benefit and may be waived by such Investor at any time in its sole discretion by delivering prior written notice to the Company and each other Investor.

- (a) Accuracy of the Company's Representations and Warranties. The representations and warranties of the Company shall be true and correct as of the date when made and as of the Closing Date as though made at each such time.

- (b) Performance by the Company. The Company shall have performed, satisfied and complied in all respects with all covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the Closing.
- (c) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction which prohibits or adversely affects any of the transactions contemplated by this Agreement, nor shall any proceeding have been commenced which may have the effect of prohibiting or adversely affecting any of the transactions contemplated by this Agreement.
- (d) Adverse Changes. Since September 30, 1997, no event which had or is likely to have a Material Adverse Effect (as defined in Section 3.5 below) on the Company has occurred.
- (e) No Suspension of Trading in or Delisting of Common Stock. Trading in the Common Stock shall not have been suspended by the SEC or the Nasdaq National Market ("Nasdaq" or the "Exchange") and the Common Stock shall not have been delisted from the Exchange.
- (f) Legal Opinion. The Company shall have delivered to such Investor the opinion of Klehr, Harrison, Harvey, Branzburg & Ellers LLP, independent counsel to the Company, in substantially the form attached hereto as Exhibit F.
- (g) Officer's Certificate. The Company shall have delivered to such Investor a certificate in form and substance reasonably satisfactory to such Investor, executed by an executive officer of the Company, to the effect that all the conditions to the Closing shall have been satisfied as of the Closing Date.
- (h) Filing of the Certificate of Designation. Each of the Series R Certificate of Designation and the Series S Certificate of Designation, conforming to the terms of this Agreement, shall have been duly filed with the Secretary of State of the State of Delaware and certified copies thereof shall have been delivered to such Investor.
- (i) Release. The Company shall have executed and delivered to such

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- (j) Delivery of Securities. The Company shall have delivered to such Investor duly executed stock certificates representing the Preferred Stock issuable to such Investor.
- (k) Registration Rights Agreement. The Company and each of the Investors shall have executed and delivered the Registration Rights Agreement (the "Registration Rights Agreement") in the form attached hereto as Exhibit G.

1.5 Conversion of Series O Stock and Series Q Stock into Common Stock. All shares of Series O Stock and Series Q Stock which Investors have agreed to convert into shares of Common Stock at the Closing (the "Closing Conversion Shares") shall be converted in accordance with the terms of the Certificate of Designation creating the Series O Stock (the "Series O Certificate") or Certificate of Designation creating the Series Q Stock (the "Series Q Certificate"), as the case may be, except that for purposes of such conversion the "Conversion Date Market Price" (as defined in each of the Series O Certificate and the Series Q Certificate) shall be \$1.00. Each of the Investors converting shares of Series O Stock and/or Series Q Stock into shares of Common Stock at the Closing shall execute and deliver at the Closing a conversion notice evidencing such a transaction. The Investors acknowledge and agree that, notwithstanding any rights which they may have to the contrary, no Investor may sell or transfer in excess of one-third of the number of Closing Conversion Shares which they receive at the Closing in each of the first three consecutive 30-day periods following the Closing Date.

1.6 Remaining Shares of Series O Stock and Series Q Stock. Except as specifically provided to the contrary in this Section 1.6, shares of Series O Stock and Series Q Stock which any Investor owns following the Closing shall be governed by the existing terms thereof. Each of Themis Partners, L.P., Samyang Merchant Bank, Heracles Fund, Leonardo, L.P., AG Super Fund, L.P., Michaelangelo, L.P., Angelo, Gordon & Co., L.P., Raphael L.P., Ramius Fund LTD, AG Super Fund International Partners, L.P. and GAM Arbitrage Investments, Inc. agree that, notwithstanding any rights such party may have to the contrary, no shares of Series O Stock or Series Q Stock which such party owns following the Closing may be converted into shares of Common Stock until on or after June 25, 1998. Each of the Company and Halifax Fund L.P., Palladin Partners I, L.P., Gleneagles Fund, LTD, Colonial Penn Insurance Company, Colonial Penn Life Insurance Company and CIBC Wood Gundy Securities Corp. agree

that all shares of Series O Stock and Series Q Stock which such parties own as of the Closing Date shall be exercisable as of such date into shares of Common Stock, notwithstanding any restrictions on the convertibility of such shares which would otherwise be applicable as of such date.

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2. Representations and Warranties of Investor

Each Investor severally represents and warrants to the Company as to the matters set forth below. The representations of each Investor under this Section 2 are made exclusively by and only with respect to such Investor and no Investor shall be liable or responsible for the breach of any representation or warranty made by any other Investor.

- 2.1 No Government Recommendation or Approval. The Investor understands that no United States federal or state agency or similar agency of any other country, has passed upon or made any recommendation or endorsement of the Company or the issuance of the Securities.
- 2.2 Intent. The Investor is obtaining the Securities for its own account and not with a view towards distribution in violation of securities laws, and the Investor has no present arrangement (whether or not legally binding) at any time to sell the Securities to or through any person or entity; provided, however, that by making the representations herein, the Investor does not agree to hold the Securities for any minimum or other specific term and reserves the right to dispose of the Securities at any time in accordance with federal and state securities laws applicable to such disposition. The Investor has been advised of or is aware of the provisions of Rule 144 promulgated under the Securities Act.
- 2.3 Sophisticated Investor. The Investor is a sophisticated investor (as described in Rule 506(b)(2)(ii) of Regulation D) and an accredited investor (as defined in Rule 501 of Regulation D), and has such experience in business and financial matters that it is capable of evaluating the merits and risks of an investment in the Securities. The Investor acknowledges that the Securities are speculative and involve a high degree of risk. The Investor understands that there is no established market for the Preferred Stock and that no public market therefor is foreseen.
- 2.4 Independent Investigation. The Investor, in making its decision to obtain the Securities obtained hereunder, has relied upon an independent investigation made by it and/or its representatives and has not relied on any information or representations made by third parties

or on any oral or written representations or assurances from the Company or any representative or agent of the Company, other than as set forth in this Agreement, in the public filings of the Company and in the documents described below. Prior to the date hereof, the Investor has been furnished with and has reviewed the Company's Annual Report on Form 10-K for the period ended December 31, 1996 (the "1996 Form 10-K") sent to the Company's shareholders and all documents filed by the Company with the SEC since December 31, 1996, pursuant to sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (excluding

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preliminary proxy statement filings) (such documents are collectively referred to in this Agreement as the "Exchange Act Reports"), including, without limitation, the Company's Quarterly Reports on Form 10-Q for the periods ended March 31, 1997, June 30, 1997 and September 30, 1997 as filed with the SEC on May 15, 1997, August 14, 1997 and November 14, 1997, respectively, the Company's Current Reports on Form 8-K for events dated December 31, 1996, January 23, 1997, April 22, 1997, July 7, 1997, December 18, 1997, December 19, 1997 and January 26, 1997, as filed with the SEC on January 9, 1997, February 5, 1997, April 30, 1997, July 8, 1997, December 23, 1997, December 24, 1997 (as amended on Form 8-K/A filed on January 21, 1998) and January 30, 1998, respectively, and the Company's Definitive Proxy Statement dated May 30, 1997 and Amendment to Proxy Statement dated July 7, 1997, as filed with the SEC on May 29, 1997 and July 7, 1997, respectively, and a copy of the Company's Registration Statement on Form S-3 declared effective by the SEC on February 12, 1997. The Investor has had a reasonable opportunity to ask questions of and receive answers from the Company concerning the Company and the transactions contemplated hereby.

- 2.5 Authority. This Agreement has been duly authorized and validly executed and delivered by the Investor and is a valid and binding agreement enforceable against the Investor in accordance with its terms, subject to general principles of equity and to bankruptcy or other laws affecting the enforcement of creditors' rights generally.
- 2.6 Intentionally Omitted
- 2.7 No Broker. The Investor has taken no action which would give rise to any claim by any person for brokerage commission, finder's fees or similar payments by the Company relating to this Agreement or the transactions contemplated hereby.
- 2.8 Not an Affiliate. The Investor is not an officer, director or "affiliate" (as that term is defined in Rule 405 of the Securities Act) of the Company.

2.9 Reliance on Representations and Warranties. The Investor understands that the Securities are being issued to it in reliance on specific provisions of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings of the Investor set forth in this Agreement in order to determine the applicability of such provisions.

2.10 Limitations on Investor's Right to Convert and Exercise. Notwithstanding anything to the contrary contained herein, each notice of conversion of Preferred Stock (a "Conversion Notice") shall contain or be accompanied by a representation

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by the Investor that, after giving effect to the shares of the Company's Common Stock to be issued pursuant to such Conversion Notice or Exercise Notice, the total number of shares of the Company's Common Stock deemed beneficially owned by the Investor, together with all shares of the Company's Common Stock deemed beneficially owned by the Investor's "affiliates" as defined in Rule 144 of the Securities Act and excluding any shares of the Series Q Preferred Stock held by such holder and its affiliates will not exceed 4.9% of the total issued and outstanding shares of the Company's Common Stock and such other matters as are set forth in Section 13(d) of the Certificate of Designation.

2.11 Transfer or Resale. The Investor understands that (i) except as provided in the Registration Rights Agreement, the Securities have not been and are not being registered under the Securities Act or any state securities laws, and may not be transferred unless (a) subsequently registered thereunder or (b) the Investor shall have delivered to the Company an opinion of counsel (which opinion and counsel shall be reasonably acceptable to the Company) to the effect that the Securities to be sold or transferred may be sold or transferred pursuant to an exemption from such registration; (ii) any sale of such Securities made in reliance on Rule 144 promulgated under the Securities Act may be made only in accordance with the terms of said Rule and further, if said Rule is not applicable, any resale of such Securities under circumstances in which the seller (or the person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the SEC thereunder; and (iii) neither the Company nor any other person is under any obligation to register such Securities under the Securities Act or any state securities laws or to comply with the terms and conditions of

any exemption thereunder (in each case, other than pursuant to the Registration Rights Agreement).

2.12 Legends. The Investor understands that the Preferred Shares and, until such time as the Underlying Stock has been registered under the Securities Act (as contemplated by the Registration Rights Agreement) or otherwise may be sold by the Investor pursuant to Rule 144 under the Securities Act (or any successor rule thereto) without any restriction as to the number of securities acquired hereunder that can then be immediately sold, the certificates for the Underlying Stock, may bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of the certificates for such Securities):

"The securities represented by this certificate have not been registered under the Securities Act of 1933, as amended. The securities have been acquired for investment and may not be sold, transferred or assigned in the absence of an effective registration

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statement for the securities under said Act, or an opinion of counsel, in form, substance and scope reasonably acceptable to the Company, that registration is not required under said Act."

The legend set forth above shall be removed and the Company shall issue a certificate without such legend to the holder of any of the Securities upon which it is stamped, if, unless otherwise required by state securities laws, (a) such Security is registered for sale under the Securities Act or (b) such holder provides the Company with an opinion of counsel, in form, substance and scope reasonably acceptable to the Company, to the effect that a public sale or transfer of such Security may be made without registration under the Securities Act or (c) such holder provides the Company with reasonable assurances that such Security can be sold pursuant to Rule 144 under the Securities Act (or a successor rule thereto) without any restriction as to the number of Securities acquired as of a particular date that can then be immediately sold. The Investor agrees to sell all Securities, including those represented by a certificate(s) from which the legend has been removed, in compliance with applicable securities law. In the event the above legend is removed from any Security, the Company may, upon reasonable advance notice to the Investor, require that the above legend be placed on any Security that cannot then be sold pursuant to an effective registration statement or Rule 144 under the Securities Act (or any successor rule thereto) without any restriction as to the number of securities acquired hereunder that can then be immediately

sold.

3. Representations and Warranties of the Company

The Company represents and warrants to the Investors that:

- 3.1 Company Status. The Company has registered its Common Stock pursuant to Section 12(b) or 12(g) of the Exchange Act, is in full compliance with all reporting requirements of the Exchange Act, and the Company has maintained all requirements for the continued listing of its Common Stock, and such Common Stock is currently listed on the Exchange, which Exchange is the principal market for the Company's Common Stock.
- 3.2 Current Public Information. The Exchange Act Reports are the only filings made by the Company since December 31, 1996 pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act.
- 3.3 No General Solicitation in Regard to this Transaction. Neither the Company nor any of its affiliates nor any distributor or any person acting on its or their behalf has conducted any general solicitation (as that term is used in Regulation D) with respect to any of the Securities, nor have they made any offers or sales of any

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security or solicited any offers to buy any security under circumstances that would require the registration of the Securities under the Securities Act.

- 3.4 Capitalization; Valid Issuance of Preferred Stock and Common Stock. The Company has an authorized capitalization set forth on Schedule 3.4. Except as set forth on Schedule 3.4, no shares of Preferred Stock or options, warrants or other securities convertible or exercisable into Common Stock have been issued or are outstanding. The Company has issued and outstanding that number of shares of Common Stock and preferred stock of various series, as set forth on Schedule 3.4, and all such shares have been duly and validly authorized and issued, are fully paid and non-assessable; prior to the Closing Date, the authorized capitalization shall include the Securities; upon issuance of the Securities, the Securities will be duly and validly issued, fully paid and non-assessable; the Underlying Stock, when issued and delivered in accordance with the terms of the Series R Certificate of Designation or the Series S Certificate of Designation, as the case may be, will be duly and validly issued, fully paid and non-assessable; and, except as set forth on Schedule 3.4 hereto, the holders of outstanding capital stock of the Company are not and shall not be entitled to preemptive or other rights afforded by the Company to subscribe for the Securities. As of the Closing Date, the Company shall

have duly filed the Series R Certificate of Designation and the Series S Certificate of Designation, and all of the rights, preferences and privileges of the Preferred Stock shall be as set forth in the Series R Certificate of Designation or the Series S Certificate of Designation, as the case may be, a copy of which, certified by the Secretary of State of the State of Delaware, shall be delivered to the Investor on or before the Closing Date. There are no owners of shares of Series O Stock or Series Q Stock other than the Investors and Elliot Associates, L.P.

3.5 Organization and Qualification. The Company is a corporation duly incorporated and existing in good standing under the laws of the State of Delaware and has the requisite corporate power to own its properties and to carry on its business as now being conducted. The Company does not have any subsidiaries, except as set forth on Schedule 3.5. The Company is duly qualified to do business as a foreign corporation and is in good standing in every jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary other than those in which the failure so to qualify would not have a Material Adverse Effect. "Material Adverse Effect" means any material adverse effect on the business, operations, properties, prospects of the entity taken as a whole, or the consolidated financial condition of the entity with respect to which such term is used, or with respect to any other entity controlling or controlled by such entity, and/or any condition or situation which would prohibit or otherwise interfere with the ability of the entity with respect to which said term is used to enter into or perform its obligations under this Agreement, the Series R Certificate of

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Designation, the Series S Certificate of Designation or the Registration Rights Agreement.

3.6 Authorization; Enforcement. (i) The Company has the requisite corporate power and authority to enter into and perform this Agreement and to issue the Securities subject to the limitations and conditions contained in and otherwise in accordance with the terms hereof and of the Series R Certificate of Designation, the Series S Certificate of Designation and the Side Letter, (ii) the execution and delivery of this Agreement by the Company and the consummation by it of the transactions contemplated hereby including, without limitation, the issuance of the Underlying Stock have been duly authorized by all necessary corporate action, and no further consent or authorization of the Company or its Board of Directors or stockholders is required (except such stockholder approvals as may be required under Rule 4460(i) promulgated by the National Association of Securities Dealers, Inc. if an Election with respect to the Series R Stock and/or the

Series S Stock has been made), (iii) this Agreement has been duly executed and delivered by the Company, and (iv) this Agreement constitutes the valid and binding obligations of the Company enforceable against the Company in accordance with their terms, except (x) as such enforceability may be limited by applicable bankruptcy, insolvency, or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application and (y) as rights to indemnity or contribution may be limited by federal and state securities laws and public policy considerations.

- 3.7. Corporate Documents. The Company has furnished or made available to the Investor true and correct copies of the Company's Certificate of Incorporation as in effect on the date hereof (the "Certificate"), and the Company's By-Laws, as in effect on the date hereof (the "By-Laws").
- 3.8 No Conflicts. The execution, delivery and performance of this Agreement and the consummation by the Company of the transactions contemplated hereby including, without limitation, the issuance of any of the Securities do not and will not (i) result in a violation of the Certificate or By-Laws (except such stockholder approvals as may be required under Rule 4460(i) promulgated by the National Association of Securities Dealers, Inc. if an Election with respect to the Series R Stock and/or the Series S Stock has been made) or (ii) conflict with, or constitute a default (or an event which, with notice or lapse of time or both, would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its subsidiaries is a party, or result in a violation of any federal state, local or foreign law, rule, regulation, order, judgment or decree (including Federal and state securities laws and regulations) applicable to the

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Company or any of its subsidiaries or by which any property or asset of the Company or any of its subsidiaries is bound or affected (except for such conflicts, defaults, terminations, amendments, accelerations, cancellations and violations as would not, individually or in the aggregate, have a Material Adverse Effect); provided that, for purposes of such representation as to Federal, state, local or foreign law, rule or regulation, no representation is made herein with respect to any of the same applicable solely to the Investor and not to the Company. The business of the Company is not being conducted in violation of any law, ordinance or regulations of any governmental entity, except for possible violations which either singly or in the aggregate do not and will not have a Material Adverse Effect. The Company is not required under Federal, state or local law, rule or regulation in the United

States to obtain any consent which has not been obtained, or authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under this Agreement or issue and sell the Securities in accordance with the terms hereof and thereof (other than any SEC, Nasdaq or state securities filings in connection herewith which may be required to be made by the Company subsequent to the Closing, and any registration statement which may be filed pursuant hereto); provided that, for purposes of the representation made in this sentence, the Company is assuming and relying upon the accuracy of the relevant representations and agreements of the Investors and/or its principals herein.

3.9 Exchange Act Reports. The Company has delivered or made available to the Investors true and complete copies of the Exchange Act Reports (including, without limitation, proxy information and solicitation materials). The Company has not provided to the Investors any information which, according to applicable law, rule or regulation, should have been disclosed publicly prior to the date hereof by the Company but which has not been so disclosed; nor has the Company provided to the Investors, as an inducement to enter into this Agreement or otherwise, any information which has not been publicly announced or disclosed to the Company's stockholders generally. As of their respective dates, the Exchange Act Reports complied in all material respects with the requirements of the Exchange Act and rules and regulations of the SEC promulgated thereunder and other federal, state and local laws, rules and regulations applicable to such Exchange Act Reports, and none of the Exchange Art Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the Exchange Act Reports comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC or other applicable rules and regulations with respect thereto. Such financial statements have been prepared in accordance

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with generally accepted accounting principles applied on a consistent basis during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto or (ii) in the case of unaudited interim statements, to the extent they may not include footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company

as of the dates thereof and the results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments).

- 3.10 No Material Adverse Change. Since September 30, 1997, the end of the period for which the most recent Quarterly Report of the Company on Form 10-Q was filed with the SEC, a copy of which is included in the Exchange Act Reports, no Material Adverse Effect has occurred or exists with respect to the Company or its subsidiaries.
- 3.11 No Undisclosed Liabilities. Except as set forth on Schedule 3.11 hereto, the Company and its subsidiaries have no liabilities or obligations not disclosed in the Exchange Act Reports, other than those incurred in the ordinary course of the Company's or its subsidiaries' respective businesses since September 30, 1997 and which, individually or in the aggregate, do not or would not have a Material Adverse Effect on the Company and its subsidiaries taken as a whole.
- 3.12 No Undisclosed Events or Circumstances. No event or circumstance has occurred or exists with respect to the Company or its subsidiaries or their respective businesses, properties, prospects, operations or financial condition, which, under applicable law, rule or regulation, requires public disclosure or announcement by the Company, but which has not been so publicly announced or disclosed. The Company has not provided the Investor any information which, according to applicable law, rules or regulations should have been disclosed publicly by the Company, but which has not been so disclosed, other than with respect to the existence of this Agreement and the transactions contemplated by this Agreement.
- 3.13 No Integrated Offering. Neither the Company, nor any of its affiliates, nor any person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the Securities under the Securities Act.
- 3.14 Broker. The Company has taken no action which would give rise to any claim by any person for brokerage commission, finder's fees or similar payments by the Investors relating to this Agreement or the transactions contemplated hereby.
- 3.15 Acknowledgment of Dilution. The number of shares of Underlying Stock issuable upon conversion of the Series S Stock will increase in the event the current trading price of the Common Stock fails to significantly increase. The Company acknowledges that its obligation to

issue Underlying Stock upon conversion of the Preferred Stock in accordance with the Series R Certificate of Designation and Series S Certificate of Designation is absolute and unconditional, regardless of the dilution that such issuance may have on the ownership interests of other stockholders, but is nevertheless subject to the terms and conditions of general application imposed upon the Company by governmental decrees and by the Exchange.

4. Covenants of the Company

4.1 Intentionally Omitted

4.2 Reservation of Common Stock. At all times while any shares of Series R Stock or Series S Stock are outstanding, the Company shall reserve and keep available, free of preemptive rights and subject to such legal limits and rules of exchanges on which the Common Stock may be traded, no less than one hundred five percent (105%) and, after an Election is made (as defined in the Series R Certificate of Designation and the Series S Certificate of Designation, as the case may be), no less than two hundred percent (200%) with respect to the shares of Preferred Stock for which an Election has been made, of that number of shares of the Company's Common Stock for which such outstanding shares of Preferred Stock are then convertible, each amount as equitably adjusted pursuant to any stock splits, split ups, recapitalization or reorganization of shares of Common Stock. At all times while any shares of Series O Stock or Series Q Stock are outstanding, the Company shall reserve and keep available, free of preemptive rights and subject to such legal limits and rules of exchanges on which the Common Stock may be traded, no less than two hundred percent (200%) of that number of shares of the Company's Common Stock for which such outstanding shares of Preferred Stock are then convertible, each amount as equitably adjusted pursuant to any stock splits, split ups, recapitalization or reorganization of shares of Common Stock. The Company shall notify the Investors as soon as practicable if there is a decrease in the number of outstanding shares of Common Stock of the Company.

4.3 Listing of Underlying Stock. The Company hereby agrees, promptly following the Closing of the transaction contemplated by this Agreement, to take such action to cause the Underlying Stock to be listed on the Exchange as promptly as possible but no later than ninety (90) days following the Closing. The Company further agrees that, if the Company applies to have the Common Stock traded on any

principal stock exchange, it will include in such application the

Underlying Stock and will take such other action as is necessary or desirable to cause the Underlying Stock to be listed on such exchange as promptly as possible.

- 4.4 Exchange Act. For so long as the Company is in existence and Preferred Stock remains outstanding, the Company will cause its Common Stock to continue to be registered under Section 12(g) or 12(b) of the Exchange Act, will comply in all respects with its reporting and filing obligations under said Act and will not take any action or file any document (whether or not permitted by said Act or the rules thereunder) to terminate or suspend such registration or to terminate or suspend its reporting and filing obligations under said Act. The Company will take all action necessary to continue the listing and trading of its Common Stock on the Exchange and will comply in all respects with the Company's reporting, filing and other obligations under the by-laws or rules of the Exchange; provided, however, that the Company may terminate such listing at any time so long as the Company's Common Stock is then listed on either the American Stock Exchange or the New York Stock Exchange. The Company shall file with the SEC a Form 8-K disclosing this Agreement and the transactions contemplated hereby no later than three business (3) days after the date of the Closing and shall publicly announce, by way of press release, this Agreement and the transactions contemplated hereby, no later than 24 hours after the Closing.
- 4.5 Corporate Existence. The Company will take all steps necessary to preserve and continue the corporate existence of the Company; provided, however, that this sentence shall not limit the Company's ability to engage in any bona fide corporate transaction or reorganization otherwise consistent with this Agreement.
- 4.6 Warrants. The exercise price of the warrants issued to the Investors (and their affiliates) in connection with the issuance of the Series O Stock and the Series Q Stock shall be amended to be \$4.00 per share of Common Stock purchasable thereunder (subject to adjustment as provided in such warrants); provided that such exercise price shall be \$3.00 per share of Common Stock purchasable thereunder (subject to adjustment as provided in such warrants) if the average of the closing bid prices (as reported by Bloomberg) for the Common Stock for the ten consecutive trading days immediately preceding that date which is 180 days after the date of the Closing is less than \$4.00; and provided, further that if such exercise price on that date which is one year from the date of the Closing is greater than 110% of the closing bid price of the Common Stock (as reported by Bloomberg) on such date, such exercise price thereafter shall be 110% of the closing bid price of the Common Stock on such date (subject to adjustment as provided in such warrants).

- 4.7 Option to Rescind Restructuring If the Company fails to (i) file the Registration Statement with the SEC on or prior to the Registration Date and/or the Registration Statement (each, as defined in the Registration Rights Agreement) is not declared effective on or prior to that date which is 120 days after the date of the Closing, (ii) receive at least \$30 million in net proceeds that can be applied in the first half of 1998 for general working capital purposes from the sale of its European networks prior to March 15, 1998, (iii) receive at least \$25 million in proceeds from new financings prior to May 15, 1998 that can immediately be applied for general working capital purposes or (iv) receive at least \$50 million (in the aggregate, including the proceeds referred to in clause (iii) above) in proceeds from new financings prior to September 15, 1998 that can immediately be applied for general working capital purposes (each of the financings referred to in clauses (iii) and (iv) shall be referred to as a "New Financing"), each holder of Series R Stock and Series S Stock, as the case may be, shall have the right, exercisable for thirty days after the happening of such event, to make an election (an "Election") as provided in the Series R Certificate of Designation and Series S Certificate of Designation.
- 4.8 New Financings. All equity New Financings shall be junior or pari passu to the Series R Stock and Series S Stock. Any Investor who at such time is a holder of Series R Stock or Series S Stock (or the holder of securities received in a prior exchange pursuant to clause (i) below) shall have the right, exercisable for ten days after consummation of a New Financing, to (i) exchange shares of preferred stock of the Company held by such party, other than shares of preferred stock for which an Election has been made, for an equivalent amount of securities issued in the New Financing and/or (ii) purchase securities on the same terms and conditions as the New Financing in an amount equal to the face amount of Series R Stock or Series S Stock (or other security received in a prior exchange pursuant to clause (i) above), as the case may be, then held by such holder, other than such shares for which an Election has been made.
- 4.9 Series P Preferred Stock. The Company shall no later than thirty days after the date of the Closing, enter into agreements with the holders of the Series P Stock to (i) either restructure the Series P Stock on substantially similar terms as the terms provided for herein or have such holders agree that they shall not convert any additional shares of Series P Stock into shares of Common Stock prior to September 30, 1998, and (ii) have the holders of shares of Common Stock received upon the recent conversion of \$7.5 million in face amount of Series P Stock into shares of Common Stock agree to waive their present registration and resale rights and have the resale of such shares registered on the Registration Statement.

4.10 Rule 144. The Company shall not, directly or indirectly, dispute or otherwise interfere with any claim by a holder of Series R Stock or Series S Stock that such holder's holding period of such security for purposes of Rule 144 under the Securities Act ("Rule 144") relates back (i.e. tacks) to the holding period for the Series O Stock and Series Q Stock; provided, however, nothing contained herein shall obligate the Company or its counsel to take a position that is inconsistent with the state of the law at such time. The Company acknowledges and agrees that as of the date hereof under Rule 144 and no-action letters issued by the SEC, such talking is permitted.

5. [SECTION INTENTIONALLY LEFT BLANK]

6. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of law or choice of law, except for matters arising under the Securities Act or the Exchange Act, which matters shall be construed and interpreted in accordance with such Acts. The Company hereby agrees that all actions or proceedings arising directly or indirectly from or in connection with this Agreement shall, at the Investor's sole option, be litigated only in the Supreme Court of the State of New York or the United States District Court for the Southern District of New York located in New York County, New York. The Company consents to the jurisdiction and venue of the foregoing courts and consents that any process or notice of motion or other application to either of said courts or a judge thereof may be served inside or outside the State of New York or the Southern District of New York by registered mail, return receipt requested, directed to the Company at its address set forth in this Agreement (and service so made shall be deemed complete five (5) days after the same has been posted as aforesaid) or by personal service or in such other manner as may be permissible under the rules of said court.

7. Assignment; Entire Agreement; Amendment; Consents; Expenses

(a) Neither this Agreement nor any obligations of the Company hereunder may be assigned by the Company to any other person or entity. The provisions of this Agreement shall inure to the benefit of, and be enforceable by, any transferee of any of the Securities with respect to the Securities held by such person.

(b) This Agreement, the Series R Certificate of Designation, the Series S Certificate of Designation, the Registration Rights

constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof and supersedes all prior agreements and no party shall be liable or bound to any other party in any manner by any warranties, representations or covenants except as specifically set forth in this Agreement or therein. Except as expressly provided in this Agreement, neither this Agreement nor any term hereof may be waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought. This Agreement and any provision hereof may only be amended by an instrument in writing signed by the Company and the holders of two-thirds of the shares of Preferred Stock outstanding at the time.

- (c) By executing and delivering this Agreement, the parties hereto consent and agree to all of the transactions contemplated hereby. The Investors acknowledge and agree that except as provided for specifically herein, the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby shall not create or trigger any additional rights which any Investor may have pursuant to any agreements entered into with the Company or attendant to any securities of the Company, including, without limitation, the right to have the purchase price of any warrants held by such Investor adjusted.
- (d) The Company agrees to reimburse the Investors for all reasonable legal expenses incurred by such Investors in connection with the execution and delivery of this Agreement and that certain letter agreement dated January 26, 1998 among the Company and the Investors.

8. Publicity

The Company agrees that it will not disclose, and will not include in any public announcement, the name of any Investor without such Investor's consent, unless and until such disclosure is required by law or applicable regulation, and then only to the extent of such requirement.

9. Notices, Etc.; Expenses; Indemnity

- (a) Any notice, demand or request required or permitted to be given by either the Company or the Investors pursuant to the terms of this Agreement shall be in writing and shall be deemed given when delivered personally or by facsimile, with a hard copy to follow by two day courier addressed to a Investor at the addresses of such Investor set forth on the signature page

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hereof, to the Company at 102 Chestnut Ridge Road, Montvale, New Jersey 07645, Attention: President, or such other address as a party may request by notifying the other applicable party(s) in writing. Copies of all notices to a Investor shall be sent to such Investor's designee or representative (if any).

- (b) The Company shall indemnify each Investor against any loss, cost or damages (including reasonable attorney's fees) incurred as a result of the Company's breach of any representation, warranty, covenant or agreement in this Agreement, the Registration Rights Agreement, the Side Letter Agreement and/or the Preferred Stock. Each Investor shall severally indemnify the Company against any loss, cost or damages (including reasonable attorney's fees) incurred by the Company as a result of such Investor's breach of any representation, warrant, covenant or agreement in this Agreement, the Registration Rights Agreement, the Side Letter Agreement and/or the Preferred Stock.

10. Counterparts

This Agreement may be executed in any number of counterparts each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

11. Survival; Severability; Specific Performance

The representations, warranties, covenants and agreements of the parties hereto shall survive the Closing for a period of four (4) years. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision. Notwithstanding anything in this Agreement, the Registration Rights Agreement, the Series R Certificate

of Designation or the Series S Certificate of Designation to the contrary, nothing shall limit a Investor's right to pursue any and all available remedies, whether at law or at equity (including, without limitation, specific performance), in connection therewith.

12. Title and Subtitles

The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

13. Like Treatment of Holders

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Neither the Company nor any of its affiliates shall, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee, payment for the redemption or the conversion of the Preferred Stock, or otherwise, to any holder of shares of Preferred Stock, for or as an inducement to, or in connection with the solicitation of, any consent, waiver or amendment of any terms or provisions of the Series R Certificate of Designation, the Series S Certificate of Designation, this Agreement, the Registration Rights Agreement or the Side Letter Agreements, unless such consideration is offered to all holders of shares of Preferred Stock and such consideration is required to be paid to all holders of shares of Preferred Stock who agree to such consent, waiver or amendment or tender their Preferred Stock for redemption or conversion.

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GEOTEK COMMUNICATIONS, INC.

By: /s/ Yaron Eitan

Yaron Eitan
Chairman and CEO

Investors:

Investor's Representative:

Investor:

RGC International Investors, LDC

By: Rose Glen Capital Management,
L.P., as Investment Manager

By: RGC General Partner Corp.,
as general partner

By: /s/ Wayne D. Bloch

Wayne D. Bloch, Managing Director

Address: c/o Rose Glen Capital
Management, L.P.
Three Bala Plaza (East)
Suite 200
Bala Cynwyd, PA 19004

Place of Execution: Pennsylvania

Telephone: (610) 617-5900

Place of Organization or Citizenship:
Cayman Islands

Fax: (610) 617-0570

Place of Residency and/or Principal
Place of Business:
Cayman Islands

Telephone: (610) 617-5900

Fax: (610) 617-0570

Registration Instructions:

RGC International
Investors, LDC

Investor's Representative:

Investor:

Palladin Group, L.P.
Attn: Andrew Kaplan

Halifax Fund, L.P.

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General
Partner

By: /s/ Jeffrey Deavers

Jeffrey Deavers, Authorized Representative

Address: 40 West 57th Street
Suite 1520
New York, NY 10019

Telephone: (212) 698-0515

Fax: (212) 698-0599

Place of Execution: New York

Place of Organization or Citizenship:
Cayman Islands

Place of Residency and/or Principal Place of
Business:

c/o Citco Fund Services, Ltd.
Corporate Center, West Bay Road
P.O. Box 31106
SMB

Registration Instructions: Halifax Fund, L.P.

Investor's Representative:

Palladin Group, L.P.
Attn: Andrew Kaplan

Investor:

Colonial Penn Insurance Company

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General
Partner

By: /s/ Jeffrey Deavers

Jeffrey Deavers, Authorized Representative

Address: 40 West 57th Street
Suite 1520
New York, NY 10019

Place of Execution: New York

Telephone: (212) 698-0515

Place of Organization or Citizenship: New York

Fax: (212) 698-0599

Registration Instructions: Colonial Penn
Insurance Company

Investor's Representative:

Investor:

Palladin Group, L.P.
Attn: Andrew Kaplan

Gleneagles Fund, LTD

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General
Partner

By: /s/ Jeffrey Deavers

Jeffrey Deavers, Authorized Representative

Address: 40 West 57th Street
Suite 1520
New York, NY 10019

Place of Execution: New York

Telephone: (212) 698-0515

Place of Organization or Citizenship:

Fax: (212) 698-0599

Cayman Islands

Place of Residency and/or Principal

Place of Business:

c/o Citco Fund Services, Ltd.

Corporate Center, West Bay Road

P.O. Box 31106

SMB

Registration Instructions: Gleneagles Fund, LTD

Investor's Representative:

Palladin Group, L.P.
Attn: Andrew Kaplan

Investor:

Colonial Penn Life Insurance Company

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General
Partner

By: /s/ Jeffrey Deavers

Jeffrey Deavers, Authorized Representative

Address: 40 West 57th Street
Suite 1520
New York, NY 10019

Telephone: (212) 698-0515

Fax: (212) 698-0599

Place of Execution: New York

Place of Organization or Citizenship: New York

Registration Instructions: Colonial Penn Life
Insurance Company

Investor's Representative:
Citadel Investment Group, L.L.C.
Attn: Kenneth Simpler

Investor:
Nelson Partners

By: /s/ Nitin Aggarwal

Nitin Aggarwal, Officer

Address: 225 West Washington Street
9th Floor
Chicago, IL 60606
Telephone: (312) 696-2165

Place of Execution: Bermuda
Place of Organization or Citizenship:
Bermuda
Place of Residency and/or Principal
Place of Business:
c/o Leeds Management Services
129 Front Street, 5th Floor
Hamilton, HM12 Bermuda
Telephone: (441) 295-8617
Fax: (441) 292-2239

Registration Instructions:
Nelson Partners

Investor's Representative:
Citadel Investment Group, L.L.C.
Attn: Kenneth Simpler

Investor:
Olympus Securities, LTD.

By: /s/ Nitin Aggarwal

Nitin Aggarwal, Officer

Address: 225 West Washington Street
9th Floor
Chicago, IL 60606

Place of Execution: Bermuda

Telephone: (312) 696-2165

Place of Organization or Citizenship: Bermuda

Place of Residency and/or Principal

Place of Business:

c/o Leeds Management Services

129 Front Street, 5th Floor

Hamilton, HM12 Bermuda

Attn: Anne Dupuy

Telephone: (441) 295-8617

Fax: (441) 292-2239

Registration Instructions:

Olympus Securities, LTD.

Investor:

CIBC, Wood Gundy Securities Corp.

By: /s/ Walter F. McLallen

Walter F. McLallen, Managing Director

Place of Execution: New York

Place of Organization or Citizenship: New York

Place of Residency and/or Principal Place of Business:

425 Lexington Avenue, 3rd Floor

New York, NY 10017

Attn: Walter F. McLallen

Telephone: (212) 885-4696

Fax: (212) 885-4933

Registration Instructions: CIBC, Wood Gundy
Securities Corp.

Investor's Representative:

Promethean Investment Group, L.L.C.
Attn: James F. O'Brien, Jr.

Address: 40 W. 57th Street
Suite 1520
New York, NY 10019
Telephone: (212) 698-0588
Fax: (212) 698-0505

Investor:

Themis Partners L.P.

By: Promethean Investment Group, L.L.C.,
its General Partner

By: /s/ Brian S. Yeh

Brian S. Yeh, Managing Member

Place of Execution: New York

Place of Organization or Citizenship:
New York

Place of Residency and/or Principal
Place of Business:

c/o Promethean Investment Group, L.L.C.
40 West 57th Street, Suite 1520
New York, NY 10019

Registration Instructions:
Themis Partners L.P.

Investor's Representative:

Promethean Investment Group, L.L.C.
Attn: James F. O'Brien, Jr.

Investor:

Samyang Merchant Bank

By: Promethean Investment Group, L.L.C.,
its Investment Advisor

By: /s/ Brian S. Yeh

Brian S. Yeh, Managing Member

Address: 40 W. 57th Street
Suite 1520
New York, NY 10019

Telephone: (212) 698-0588

Fax: (212) 698-0505

Place of Execution: New York

Place of Organization or Citizenship:
South Korea

Place of Residency and/or Principal

Place of Business:

c/o 6th Floor, Youngpoong Building
33, Seorin-dong, Chongro-Ku
Seoul, 110-110-Korea

Registration Instructions:

Samyang Merchant Bank

Investor's Representative:

Promethean Investment Group, L.L.C.
Attn: James F. O'Brien, Jr.

Investor:

Heracles Fund

By: Promethean Investment Group, L.L.C.,
its Investment Advisor

By: /s/ Brian S. Yeh

Brian S. Yeh, Managing Member

Address: 40 W. 57th Street
Suite 1520
New York, NY 10019

Telephone: (212) 698-0588

Fax: (212) 698-0505

Place of Execution: New York

Place of Organization or Citizenship:
Cayman Islands

Place of Residency and/or Principal

Place of Business:

c/o Bank of Bermuda (Cayman) Limited
P.O. Box 513
Third Floor, British American Tower
Dr. Roy's Drive
Georgetown, Grand Cayman
Cayman Islands, BWI

Registration Instructions: Heracles Fund

Investor's Representative:

Angelo, Gordon & Co., L.P.
Attn: Gary Wolf

Investor:

Leonardo, L.P.

By: Angelo, Gordon & Co., L.P.,
its General Partner

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Telephone: (212) 692-2058

Fax: (212) 867-6449

Place of Execution: New York

Place of Organization or Citizenship:

Cayman Islands

Place of Residency and/or Principal

Place of Business:

c/o Trident Trust Company Limited

Elizabethan Square

P.O. Box 847

Grand Cayman, Cayman Islands, B.W.I.

Registration Instructions: Leonardo, L.P.

Investor's Representative:

Angelo, Gordon & Co., L.P.
Attn: Gary Wolf

Investor:

GAM Arbitrage Investments, Inc.

By: Angelo, Gordon & Co., L.P., its Investment
Advisor

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Telephone: (212) 692-2058

Fax: (212) 867-6449

Place of Execution: New York

Place of Organization or Citizenship:
British Virgin Islands

Place of Residency and/or Principal
Place of Business:
11 Athel Street
Douglas Isle of Man, British Isles
British Virgin Islands

Registration Instructions: GAM Arbitrage
Investments, Inc.

Investor's Representative:

Angelo, Gordon & Co., L.P.
Attn: Gary Wolf

Investor:

AG Super Fund International Partners, L.P.

By: Angelo, Gordon & Co., L.P.,
its General Partner

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Telephone: (212) 692-2058

Fax: (212) 867-6449

Place of Execution: New York

Place of Organization or Citizenship:

Cayman Islands

Place of Residency and/or Principal

Place of Business:

c/o Raphael Capital Management Partners, L.P.

Transnational House

P.O. Box 30749

Seven Mile Beach

Grand Cayman, Cayman Islands, B.W.I.

Registration Instructions:

AG Super Fund

International Partners, L.P.

Investor's Representative:

Angelo, Gordon & Co., L.P.

Attn: Gary Wolf

Investor:

Ramius Fund, LTD.

By: AG Ramius Partners, L.L.C., its Investment
Advisor

By: /s/ Michael L. Gordon

Michael L. Gordon, Managing Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Telephone: (212) 692-2058

Fax: (212) 867-6449

Place of Execution: New York

Place of Organization or Citizenship: Bermuda

Place of Residency and/or Principal

Place of Business:

c/o Bank of Bermuda

Attn: Chandra Aramdjeroric

6 Front Street

Hamilton HM11 Bermuda

Registration Instructions: Ramius Fund, LTD.

Investor's Representative:

Angelo, Gordon & Co., L.P.
Attn: Michael L. Gordon

Investor:

Raphael, L.P.

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Telephone: (212) 692-2058

Fax: (212) 867-6449

Place of Execution: New York

Place of Organization or Citizenship:
Cayman Islands

Place of Residency and/or Principal

Place of Business:

c/o Raphael Capital Management Partners, L.P.

Transnational House

P.O. Box 30749

Seven Mile Beach

Grand Cayman, Cayman Islands, B.W.I.

Registration Instructions: Raphael, L.P.

Investor's Representative:

Angelo, Gordon & Co., L.P.
Attn: Michael L. Gordon

Investor:

AG SUPER FUND, L.P.

By: Angelo, Gordon & Co., L.P.

Its: General Partner

By: /s/ Michael L. Gordon

Name

Michael L. Gordon, Chief Operating Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Place of Execution: New York

Telephone: (212) 692-2058

Place of Organization or Citizenship:

Fax: (212) 867-6449

United States

Place of Residency and/or Principal

Place of Business:

c/o Angelo, Gordon & Co., L.P.

245 Park Avenue, 26th Floor

New York, NY 10167

Registration Instructions: AG SUPER FUND, L.P.

Investor's Representative:

Investor:

Angelo, Gordon & Co., L.P.

MICHAELANGELO, L.P.

Attn: Michael L. Gordon

By: Angelo, Gordon & Co., L.P.

Its: General Partner

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Place of Execution: New York

Telephone: (212) 692-2058

Place of Organization or Citizenship:

Fax: (212) 867-6449

United States

Place of Residency and/or Principal

Place of Business:

c/o Angelo Gordon & Co., L.P.

245 Park Avenue, 26th Floor

New York, NY 10167

Investor's Representative:

Angelo, Gordon & Co., L.P.
Attn: Michael L. Gordon

/s/ Michael L. Gordon

Investor:

ANGELO, GORDON & CO., L.P.

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

Address: 245 Park Avenue
26th Floor
New York, NY 10167

Telephone: (212) 692-2058

Fax: (212) 867-6449

Place of Execution: New York

Place of Organization or Citizenship:
United States

Place of Residency and/or Principal

Place of Business:

c/o Angelo Gordon & Co., L.P.
245 Park Avenue, 26th Floor
New York, NY 10167

Registration Instructions: Angelo, Gordon
& Co., L.P.

Investor's Representative: Investor:

PALLADIN PARTNERS I, L.P.

By: /s/ Andrew Kaplan

Place of Execution: New York

Place of Organization or Citizenship:

Place of Residency and/or Principal

Place of Business:

40 West 57th Street

New York, NY 10019

Registration Instructions: Palladin Partners I, L.P.

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Registration Rights Agreement"), entered into as of February 18, 1998, between each of the persons whose name and signature appear on the signature page hereto (each a "Purchaser" and collectively, the "Purchasers"), and Geotek Communications, Inc., a Delaware corporation with its principal office at 20 Craig Road, Montvale, New Jersey 07645 (the "Company").

W I T N E S S E T H:

WHEREAS, the Purchasers have obtained pursuant to various Convertible Securities Subscription Agreements and other agreements (collectively, the "Agreement") shares of the Company's Series O Convertible Preferred Stock ("Series O Stock"), Series Q Convertible Preferred Stock ("Series Q Stock"), Series R Convertible Preferred Stock ("Series R Stock") and/or Series S Convertible Preferred Stock ("Series S Stock") and the Company also has outstanding shares of its Series P Convertible Preferred Stock ("Series P Stock" and together with the Series O Stock, Series Q Stock, Series R Stock and Series S Stock, the "Preferred Stock");

WHEREAS, pursuant to the terms of the Certificates of Designation establishing the rights of the Preferred Stock (collectively, the "Certificate of Designation"), the Preferred Stock is convertible into shares of the Company's Common Stock, par value \$.01 per share (the "Shares");

WHEREAS, in connection with the purchase of the Preferred Shares, the Company has issued to the Purchasers warrants to purchase Shares and the Company is required to issue to holders of Preferred Stock certain other warrants for the purchase of Shares upon the Company's redemption of Preferred Stock (collectively, the Warrants).";

WHEREAS, pursuant to the terms of and in partial consideration for, the Purchasers' agreement to enter into the Agreement, the Company has agreed to provide the Purchasers with certain registration rights with respect to the Shares;

NOW, THEREFORE, in consideration of the mutual promises, representations, warranties, covenants and conditions set forth in the Agreement, Certificate of Designation and this Registration Rights Agreement, the Company and the Purchasers agree as follows:

1. Certain Definitions. As used in this Registration Rights Agreement, the following terms shall have the following respective meanings:

(a) "SEC" shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

(b) "Registrable Securities" shall mean: (i) Shares issued to the Purchasers or their designees upon conversion of the Preferred Stock, exercise of the Warrants or upon any stock split, stock dividend (pursuant to the Certificate of Designation or otherwise), recapitalization or similar event with respect to such Shares; (ii) any Shares issued to the Purchasers or any Holder as dividends on the Preferred Stock; (iii) any securities issued or issuable to the Purchasers or any Holder upon the conversion or exercise or exchange of any Preferred Stock, Warrants or Shares and (iv) shares of Common Stock issued pursuant to Section 5(a) hereof.

(c) The terms "register", "registered" and "registration" shall refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of the effectiveness of such registration statement.

(d) "Registration Expenses" shall mean all expenses to be incurred by the Company in connection with each Purchaser's exercise of its registration rights under this Registration Rights Agreement, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company and blue sky fees and expenses (but excluding the compensation of regular employees of the Company, which shall be paid in any event by the Company).

(e) "Selling Expenses" shall mean all underwriting discounts and selling commissions, if any, applicable to the sale of Registrable Securities and all fees and disbursements of counsel for the Holders.

(f) "Holder" and "Holders" shall include a Purchaser or the Purchasers, respectively, and any transferee of Preferred Stock, Warrants, Shares or Registrable Securities which have not been sold to the public to whom the registration rights conferred by this Registration Rights Agreement have been transferred in compliance with Section 12 of this Registration Rights Agreement.

(g) "Registration Statement" shall have the meaning set forth in Section 2(a) herein.

(h) "Regulation D" shall mean Regulation D as promulgated pursuant to the Securities Act, and as subsequently amended.

(i) "Securities Act" shall mean the Securities Act of 1933, as amended.

2. The Registration Requirements. The Company represents and warrants that it is qualified and eligible to use the registration statement on Form S-3 under the Securities Act. The Company shall file such Registration Statement no later than March 16, 1998 (the "Registration Date") and use its best efforts to cause such Registration Statement to become effective as promptly as possible thereafter. Such Registration Statement shall be filed on Form S-3 under the Securities Act or, if Form S-3 is not then available, another appropriate form covering the resale of

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the Shares issuable on conversion of the Preferred Stock and upon exercise of the Warrants. In addition, the Company shall take all action necessary to qualify the Shares under state "blue sky" laws as hereinafter provided. The Company shall use its diligent best efforts to effect the registration contemplated by the foregoing (including, without limitation, the execution of an undertaking to file post-effective amendments, appropriate qualification under applicable blue sky or other state securities laws and appropriate compliance with applicable regulations issued under the Securities Act) and as would permit or facilitate the sale and distribution of all the Registrable Securities in all states reasonably requested by the Holders for purposes of maximizing the proceeds realizable by the Holders from such sale and distribution. The Company shall distribute copies of the Registration Statement to the Holders promptly after the filing thereof and shall give the Holders no less than ten days after receipt of such Registration Statement the opportunity to provide comments thereto. Such best efforts by the Company shall include, without limitation, the following:

(a) The Company shall file (i) a registration statement with the SEC pursuant to Rule 415 under the Securities Act on Form S-3 under the Securities Act and the Company shall use its best efforts to qualify for the use of such Form (or in the event that the Company is ineligible to use such form, such other form as the Company is eligible to use under the Securities Act) covering the Registrable Securities to be registered (the "Registration Statement"); (ii) such blue sky filings as shall be reasonably requested to permit such sales; provided, however, that the Company shall not be required to register the Registrable Securities in any jurisdiction that would subject it to general service of process in any such jurisdiction where it is not then so subject or subject the Company to any tax in any such jurisdiction where it is not then so subject or to require the Company to qualify to do business in any jurisdiction where it is not then so qualified; and (iii) any required filings with the Nasdaq National Market ("Nasdaq") and any exchange where the Shares are traded, all as soon as practicable after the date hereof. The Company shall use its best efforts to have such Registration Statement and other filings declared effective as soon thereafter as may be practicable.

(b) The Company shall enter into such customary agreements

(including a customary underwriting agreement with the underwriter or underwriters, if any) and take all such other reasonable actions, in connection therewith in order to expedite or facilitate the disposition of such Registrable Securities and in such connection whether or not the Registrable Securities are to be sold in an underwritten offering, the Company shall:

(i) make such representations and warranties to the Holders and the underwriter or underwriters, if any, in form and substance and scope as are customarily made by issuers to underwriters in secondary underwritten offerings;

(ii) cause to be delivered to the sellers of Registrable Securities and the underwriter or underwriters, if any, opinions of counsel to the Company, dated the date of delivery of any Registrable Securities sold pursuant thereto, which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriter or underwriters and the appointed representative or counsel of the Holders, addressed to the Holders and each underwriter:

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(A) in the case of an underwritten offering, covering the matters customarily covered in opinions requested in secondary underwritten offerings; or

(B) in the case of any offering that is not underwritten, covering the effectiveness of the registration statement;

(iii) in the case of an underwritten offering, cause to be delivered at the time of delivery of any Registrable Securities sold pursuant thereto, letters from the Company's independent certified public accountants addressed to the Holders and each underwriter stating that such accountants are independent public accountants within the meaning of the Securities Act and the applicable published rules and regulations thereunder, and otherwise in customary form and covering such financial and accounting matters as are customarily covered by letters of the independent certified public accountants delivered in connection with secondary underwritten public offerings;

(iv) if an underwriting agreement is entered into, cause the same to set forth indemnification and contribution provisions and procedures which are no less favorable to the Holders and the Company than those contemplated by sections 8 and 9 hereof with respect to all parties to be indemnified pursuant to such sections;

(v) deliver such documents and certificates as may be

reasonably requested by the Holders of the Registrable Securities being sold or the managing underwriter or underwriters, if any, to evidence compliance with clause (i) above and with any customary conditions contained in the underwriting agreement, if any, or other agreement entered into by the Company;

the foregoing in this paragraph 2(b) shall be done at each closing under any such underwriting or similar agreement or as and to the extent required thereunder; provided, however, the foregoing in paragraph 2(b) shall not be required on more than two (2) occasions;

(c) The Company shall make available for inspection, review and comment by a representative or representatives of the Holders, any underwriter participating in any disposition pursuant to a Registration Statement, and any attorney or accountant retained by such Holders or underwriter, any such registration statement or amendment or supplement or any blue sky, Nasdaq or other filing, all financial and other records, pertinent corporate documents and properties of the Company as they may reasonably request for the purpose, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such representative, underwriter, attorney or accountant in connection with such Registration Statement.

3. Underwritten Distribution. If any Holder intends to distribute the Registrable Securities covered by a Registration Statement by means of an underwriting, such Holder shall so advise the Company and, within thirty (30) days of the date thereof and without limiting the generality of other provisions hereof, the Company will prepare and file such amendment or amendments to the Registration Statement and make such other filings as may be necessary or

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appropriate to effect any such underwritten distribution. The managing underwriter for any such distribution shall be an investment banking firm of national reputation selected by the Holders participating in such distribution, subject to the Company's consent, which shall not be unreasonably withheld.

4. Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to this Registration Rights Agreement shall be borne by the Company, and all Selling Expenses shall be borne by the Holders.

5. Registration Delay or Failure. The Company acknowledges that its failure to register the Registrable Securities in accordance with the Agreement and this Registration Rights Agreement will cause the Holders to suffer damages in an amount that will be difficult to ascertain. Accordingly the parties agree that it is appropriate to include herein a provision for liquidated damages and to compensate the Holder fairly for the additional risk undertaken by the

Holders resulting from the Company's delay or failure to effect such registration. The parties acknowledge and agree that the liquidated damages provisions set forth in the Agreement represent the parties' good faith effort to quantify such damages and, as such, agree that the form and amount of such liquidated damages are reasonable and will not constitute a penalty; provided, however, that nothing in this Section 6 shall limit the Holders' right to pursue equitable relief, including without limitation, specific performance.

(a) If the Registration Statement covering the resale of the Shares is not (i) filed by the Company with the SEC on or prior to the Registration Date the Company shall pay to each Investor within five (5) days after such date a penalty of 1% of the market value of the shares of Common Stock issued to each such Investor upon conversion of shares of Series O Stock, Series Q Stock, Series R Stock or Series S Stock which are owned as of such date (assuming a market price of no less than \$1.00) and 1% of the Designated Price (as defined in the Series O Certificate, Series Q Certificate, Series R Certificate of Designation, the Series S Certificate of Designation or the Certificate of Designation creating the Series P Stock, as the case may be) of the shares of Series O Stock, Series P Stock, Series Q Stock, Series R Stock and/or Series S Stock owned by such Investor as of such date and/or (ii) declared effective on or prior to April 15, 1998, the Company shall pay to each Investor within five (5) days after such date a penalty of 1% of the market value of the shares of Common Stock issued to each such Investor upon conversion of shares of Series O Stock, Series Q Stock, Series R Stock or Series S Stock which are owned as of such date (assuming a market price of no less than \$1.00) and 1% of the Designated Price (as defined in the Series O Certificate, Series Q Certificate, Series R Certificate of Designation, the Series S Certificate of Designation or the Certificate of Designation creating the Series P Stock, as the case may be) of the shares of Series O Stock, Series P Stock, Series Q Stock, Series R Stock and/or Series S Stock owned by such Investor as of such date. In addition, the Company shall also pay a penalty of 2% of such market value and/or Designated Price, as the case may be, on the fifth (5th) day after the end of each month for each month (or partial month) beginning April 1, 1998, thereafter that the Registration Statement has not been declared effective; provided that no such payment shall be required pursuant to this sentence if the Registration Statement is declared effective on or prior to April 15, 1998. The Company may pay any penalty pursuant to this Section 5(a) in shares of

Common Stock, valued for such purposes, at the average closing bid price of the Common Stock for the fifteen trading days immediately preceding the date such payment is due.

6. Registration Procedures. In the case of each registration effected by the Company pursuant to this Registration Rights Agreement, the Company will keep the Holders advised in writing as to initiation of each registration and as

to the completion thereof. At its expense, the Company will use its best efforts to:

(a) Keep such registration effective for the period of sixty (60) months or until all the Securities are sold or eligible for sale pursuant to Rule 144(k) of the SEC or any successor or similar provision, whichever is earlier.

(b) Furnish such number of prospectuses and other documents incident thereto as any Holder from time to time may reasonably request.

(c) Notify the Holders of any event or circumstance the result of which is that the Company's Registration Statement or prospectus included therein contains an untrue statement of material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading and shall (i) in the case of any event or circumstance not provided for in clause (ii) below, within thirty (30) business days of such notification or (ii) in the case of any acquisition, merger or other similar material transaction requiring additional disclosure to correct any such untrue statement or omission, within sixty (60) days of such notification, amend or supplement the Registration Statement or prospectus to correct such inaccuracy or disclose such development; provided, however, that upon receipt of such notice, each Holder shall immediately discontinue dispositions of Registrable Securities thereunder until such Holder's receipt from the Company of a supplemented or amended prospectus and, if so requested by the Company, each Holder shall deliver to the Company all copies (other than permanent file copies in such Holder's possession) of the prospectus covering the Registrable Securities current at the time of receipt of such notice; and provided further, that if the Registration Statement or prospectus is not amended or supplemented so as to remedy any inaccuracy or disclose such development by the thirtieth (30th) business day in the case of clause (i), or the sixtieth (60th) business day in the case of clause (ii), in each case, after notice of inaccuracy is given by the Company to the Holders, then the Company shall issue to a Holder upon each subsequent conversion by such Holder of any Preferred Stock which was convertible into Common Stock at any time from the applicable date upon which such Registration Statement was required to be supplemented or amended (i.e., the thirtieth (30th) business day or sixtieth (60th) business day after notification, as the case may be) (the "Required Registration Statement Amendment Date") until such date as the Registration Statement is so amended (the "Registration Statement Amendment Date"), such additional shares of Common Stock as would have been issuable to such Holder upon such conversion had the Applicable Percentage used in determining the Conversion Date Market Price for such conversion been increased by the Amendment Penalty Discount in the case of an event described in clause (i) or the Alternative Penalty Discount in the case of an event described in clause (ii). As used herein, (x) the "Amendment Penalty Discount" shall initially equal zero percent (0%) on a Required Registration Amendment Date in the case of an event described in clause (i) and shall increase by one percent

(1%) for every fifth (5th) business day thereafter until the applicable Registration Statement Amendment Date and (y) the Alternative Penalty Discount shall initially equal two and one-half percent (2 1/2%) on a Required Registration Statement Amendment Date with respect to an event described in clause (ii) and shall increase by two and one-half percent (2 1/2%) on the thirtieth (30th) business day thereafter if the applicable Registration Statement Amendment Date has not then occurred and shall increase by two percent (2%) for every thirtieth (30th) business day thereafter until the applicable Registration Statement Amendment Date.

7. Indemnification.

(a) Company Indemnity. The Company will indemnify each Holder, each of its officers, directors, partners, employees and agents and each person controlling such Holder within the meaning of Section 15 of the Securities Act and the rules and regulations thereunder with respect to which registration, qualification or compliance has been effected pursuant to this Registration Rights Agreement, and each underwriter, if any, and each person who controls, within the meaning of Section 15 of the Securities Act and the rules and regulations thereunder, any underwriter, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any prospectus, offering circular or other document (including any related registration statement, notification or the like) incident to any such registration, qualification or compliance, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act or any state securities law or in either case, any rule or regulation thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any such registration, qualification or compliance, and will reimburse such Holder, each of its officers, directors, partners, employees and agents and each person controlling such Holder, each such underwriter and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending any such claim, loss, damage, liability or action, provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or expense arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by such Holder or the underwriter and stated to be specifically for use therein. The indemnity agreement contained in this Section 7(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent will not be unreasonably withheld).

(b) Holder Indemnity. Each Holder will severally and not jointly, if Registrable Securities held by it are included in the securities as to which such registration, qualification or compliance is being effected, indemnify the Company, each of its officers, directors, partners, employees and

agents and each underwriter, if any, of the Company's securities covered by such a registration statement, each person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act and the rules and regulations thereunder, each other Holder (if any), and each of their officers, directors and partners, and each person controlling such other Holder against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in

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any such registration statement, prospectus, offering circular or other document, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statement therein not misleading and will reimburse the Company and such other Holders and their officers, directors, partners, employees, agents, underwriters or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to the Company by Holder and stated to be specifically for use therein; provided, however, that the obligations of Holder shall not apply to amounts paid in settlement of any such claims, losses, damages or liabilities if such settlement is effected without the consent of such Holder (which consent shall not be unreasonably withheld). Notwithstanding the foregoing, each Holder's indemnification obligation hereunder shall be limited to the net proceeds received by such Holder from sales of Registrable Securities.

(c) Procedure. Each party entitled to indemnification under this Article (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of any such claim in any litigation resulting therefrom, provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld), and the Indemnified Party may participate in such defense at such party's expense, and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Article except to the extent that the Indemnifying Party is actually prejudiced by such failure to provide notice. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff

to such Indemnified of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with the defense of such claim and litigation resulting therefrom.

8. Contribution. If the indemnification provided for in Section 7 herein is unavailable to the Indemnified Parties in respect of any losses, claims, damages or liabilities referred to herein, then each such Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified party as a result of such losses, claims, damages or liabilities (i) as between the Company and the applicable Holder on the one hand and the underwriters on the other, in such proportion as is appropriate to reflect the relative benefits received by the Company and such Holder on the one hand or underwriters, as the case may be, on the other from the offering of the Registrable Securities, or if such allocation is not permitted by applicable law, in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and of such Holder or underwriters, as the case may be, on

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the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations and (ii) as between the Company on the one hand and the applicable Holder on the other, in such proportion as is appropriate to reflect the relative fault of the Company and of such Holder in connection with such statements or omissions.

The relative benefits received by the Company on the one hand and the applicable Holder or the underwriters, as the case may be, on the other shall be deemed to be in the same proportion as (x) the proceeds from the offering (net of underwriting discounts and commissions but before deducting expenses) received by the Company from the initial sale of the Preferred Stock by the Company to such Holder pursuant to the Agreement and from the exercise of the Warrants by such Holder bear to (y) the gain realized by such Holder or the total underwriting discounts and commissions received by the underwriters as set forth in the table on the cover page of the prospectus, as the case may be. The relative fault of the Company on the one hand and of the applicable Holder or underwriters, as the case may be, on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission to state a material fact relates to information supplied by the Company, by such Holder or by the underwriters.

In no event shall the obligation of any Indemnifying Party to contribute under this Section 8 exceed the amount that such Indemnifying Party would have been obligated to pay by way of indemnification if the

indemnification provided for under Section 7(a) or 7(b) hereof had been available under the circumstances.

The Company and each Holder agree that it would not be just and equitable if contribution pursuant to this Section 8 were determined by pro rata allocation (even if the applicable Holder or the underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraphs. The amount paid or payable by an Indemnified Party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraphs shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this section, no Holder or underwriter shall be required to contribute any amount in excess of the amount by which (i) in the case of the Holder, the net proceeds received by such Holder from the sale of Registrable Securities or (ii) in the case of an underwriter, the total price at which the Registrable Securities purchased by it and distributed to the public were offered to the public exceeds, in any such case, the amount of any damages that the Holder or underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

9. Survival. The Indemnity and contribution agreements contained in Sections 7 and 8 and the representations and warranties of the Company referred to in Section 2(b) (i) shall remain

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operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Indemnified Party or by or on behalf of the Company and (iii) the consummation of the sale or successive resales of the Registrable Securities.

10. Information from Holders. Each Holder shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification or compliance referred to in this Agreement.

11. Transfer or Assignment of Registration Rights. The rights granted to the Purchasers by the Company under this Registration Rights Agreement to cause the Company to register Registrable Securities, may be transferred or assigned to a transferee or assignee, provided that the Company is given written

notice by the applicable Holder at the time of or within a reasonable time after said transfer or assignment, stating the name and address of said transferee or assignee and identifying the securities with respect to which such registration rights are being transferred or assigned, and provided further that the transferee or assignee of such rights is not deemed by the board of directors of the Company, in its reasonable judgment, to be a competitor of the Company, and provided further that the transferee or assignee of such rights agrees to be bound by this Registration Rights Agreement.

12. Miscellaneous.

(a) Entire Agreement. This Registration Rights Agreement, the Agreement and the documents referenced in the Agreement contain the entire understanding and agreement of the parties. This Registration Rights Agreement may not be modified or terminated except by a written agreement signed by the Company and the holders of at least two-thirds of the shares of Preferred Stock outstanding at the time.

(b) Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be effective (i) upon hand delivery or delivery by telex (with correct answer back received), telecopy or facsimile, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (ii) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

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to the Company:

Geotek Communications, Inc.
20 Craig Road
Montvale, NJ 07645
Attention: General Counsel and Secretary
Fax: (201) 930-9614

with copies to:

Klehr, Harrison, Harvey, Branzburg & Ellers
1401 Walnut Street
Philadelphia, PA 19102
Attention: Leonard M. Klehr, Esq.

to the Purchasers at the address set forth for each Purchaser in the Agreement, with copies to such Purchaser's representatives (if any) at the address for such representative set forth in the Agreement.

The Company or any Purchaser may from time to time change its address for notices under this Section 13(b) by giving at least 10 days' written notice of such changed address to each of the Purchasers (with respect to the Company) or the Company (with respect to the Purchasers).

(c) Gender of Terms. All terms used herein shall be deemed to include the feminine and the neuter, and the singular and the plural as the context requires.

(d) Governing Law; Consent to Jurisdiction. This Registration Rights Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflicts of law or choice of law, except for matters arising under the Securities Act or the Exchange Act which matters shall be construed and interpreted in accordance with such Acts. The Company hereby agrees that all actions or proceedings arising directly or indirectly from or in connection with this Registration Rights Agreement shall, at the Purchaser's sole option, be litigated only in the Supreme Court of the State of New York or the United States District Court for the Southern District of New York located in New York County, New York. The Company consents to the jurisdiction and venue of the foregoing courts and consents that any process or notice of motion or other application to either of said courts or a judge thereof may be served inside or outside the State of New York or the Southern District of New York by registered mail, return receipt requested, directed to the Company at its address set forth in this Registration Rights Agreement (and service so made shall be deemed complete five (5) days after the same has been posted as aforesaid) or by personal service or in such other manner as may be permissible under the rules of said court.

(e) Titles. The titles used in this Registration Rights Agreement are used for convenience only and are not to be considered in construing or interpreting this Registration Rights Agreement.

(f) Counterparts. This Registration Rights Agreement may be executed in any number of counterparts each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Registration Rights Agreement to be duly executed as of the date first above written.

GEOTEK COMMUNICATIONS, INC.

By: /s/ Yaron Eitan

Yaron Eitan
Chairman and CEO

PURCHASERS:

RGC International Investors, LDC

By: Rose Glen Capital Management, L.P., as
Investment Manager

By: RGC General Partner Corp., as general partner

By: /s/ Wayne D. Bloch

Wayne D. Bloch, Managing Director

Halifax Fund, L.P.

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General Partner

By: /s/ Andrew Kaplan

Andrew Kaplan, Authorized Representative

[SIGNATURES CONTINUED]

Gleneagles Fund, Ltd.

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General Partner

By: /s/ Andrew Kaplan

Andrew Kaplan, Authorized Representative

Colonial Penn Insurance Company

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General Partner

By: /s/ Andrew Kaplan

Andrew Kaplan, Authorized Representative

Colonial Penn Life Insurance Company

By: The Palladin Group, its Investment Manager

By: Palladin Capital Management LLC, its General Partner

By: /s/ Andrew Kaplan

Andrew Kaplan, Authorized Representative

[SIGNATURES CONTINUED]

Palladin Partners I, L.P.

By: /s/ Andrew Kaplan

Andrew Kaplan, Authorized Representative

[SIGNATURES CONTINUED]

Nelson Partners

By: /s/ Nitin Aggarwal

Nitin Aggarwal, Officer

Olympus Securities, LTD.

By: /s/ Nitin Aggawnal

Nitin Aggarwal, Officer

CIBC, Wood Gundy Securities Corp.

By: /s/ Walter F. McLallen

Walter F. McLallen, Managing Director

Themis Partners L.P.

By: Promethean Investment Group, L.L.C., its General
Partner

By: /s/ James F. O'Brien, Jr.

James F. O'Brien, Jr., President

Samyang Merchant Bank

By: Promethean Investment Group, L.L.C., its Investment
Advisor

By: /s/ James F. O'Brien, Jr.

James F. O'Brien, Jr., President

[SIGNATURES CONTINUED]

Heracles Fund

By: Promethean Investment Group, L.L.C., its Investment
Advisor

By: /s/ James F. O'Brien

James F. O'Brien, Jr., President

Leonardo, L.P.

By: Angelo, Gordon & Co., L.P., its General Partner

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

GAM Arbitrage Investments, Inc.

By: Angelo, Gordon & Co., L.P., its Investment Advisor

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

AG Super Fund International Partners, L.P.

By: Angelo, Gordon & Co., L.P., its General Partner

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

[SIGNATURES CONTINUED]

Ramius Fund, Ltd.

By: AG Ramius Partners, L.L.C., its Investment Advisor

By: /s/ Michael L. Gordon

Michael L. Gordon, Managing Officer

Raphael, L.P.

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

AG Super Fund, L.P.

By: Angelo, Gordon & Co., L.P., its General Partner

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

Michaelangelo, L.P.

By: Angelo, Gordon & Co., L.P., its General Partner

By: /s/ Michael L. Gordon

Michael L. Gordon, Chief Operating Officer

[SIGNATURES CONTINUED]

Angelo, Gordon & Co., L.P.

By: /s/ Michael L. Gordon

