



Press Release

VERSATILE MOBILE SYSTEMS ANNOUNCES CLOSING OF PRIVATE PLACEMENT

Vancouver, BC, July 20, 2001 — Versatile Mobile Systems (Canada) Inc. (the “Company”; CDNX: VMS) announces the closing of a non-brokered private placement announced on June 29, 2001. On closing, the Company received gross proceeds of \$1,000,000. The Company issued 1,428,572 shares at a price of \$0.70 per share. The issued securities are subject to a hold period, with the hold period expiring on November 20, 2001. The beneficial subscriber was Jens Montanana, a director of the company.

On Behalf of the Board of Directors:

“John A. Hardy”

John A. Hardy
Chairman and CEO

FOR FURTHER INFORMATION, PLEASE CONTACT:

Ted Moorhouse, Vice President, Marketing
Versatile Mobile Systems (Canada) Inc.

Tel. (604) 683-2915
Fax (604) 683-2965
Email: tmoorhouse@versatilemobile.com
Web site: www.versatilemobile.com

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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