

February 04, 1999

Able's Virginia bid has not been approved or awarded.

Both the Virginia Department of Transportation ("VDT") and the Virginia Commonwealth Transportation Board ("CTB") must recommend and approve, and have neither recommended nor approved, Able Telcom Holding Corp.'s (SYMBOL: ABTE) (Price: \$11.125) \$58.9 million bid to construct a Traffic Management System in Virginia. Able's bid is subject to inquiries by the VDT's Chief Engineer before it is recommended for approval by the CTB. The CTB has 16 voting members. The Chief Engineer's inquiries should require disclosures concerning Able's debt defaults and its failure to perform under other transportation contracts, which may lead to its disqualification.

Able's bid was \$37.7 million, or 39%, below the highest of the five bids submitted to the VDT. Lockheed Martin Corporation's bid was \$84.5 million. Able claims it can construct the Virginia system for \$58.9 million. The average bid was over \$78.3 million. These are highly competitive contracts that should not have 25% plus margins. Able's 39% discount bid could yield over \$20 million in losses.

This is the fourth apparently substantial but actually insignificant or non-existing transaction that Able has announced in the last month.

On Monday, February 8th, Able must either arrange for a buyer for the preferred or risk immediate bankruptcy. Able is facing bankruptcy because it does not have sufficient assets or cash flow to meet its approximately \$90 million of debt and preferred obligations. Yet Able's stock, which ranks below all liabilities, is trading at approximately \$150 million above and beyond the \$90 million of debt. We believe this incongruous situation reflects Able's fraudulent stock promotion. Able has delayed its 10-K filing. We believe this document will definitely establish that Able is bankrupt.

Short selling involves a risk not associated with the purchase of stock including, but not only limited to, unlimited loss and stock borrowing risks. Additional information is available upon request.