

NEWS RELEASE

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FullNet Completes Successful \$1.7 Million Debt Conversion

OKLAHOMA CITY, OK – FullNet Communications, Inc. (“FullNet”)(FULO – OTC Bulletin Board) today announced the completion of a debt exchange offer pursuant to which \$1.7 million of its convertible debt and \$125,000 of accrued interest were converted into equity. This represents approximately 78 percent of the Company’s outstanding convertible debt. The principal and interest were exchanged for shares of the Company’s common stock valued at \$.90 and \$1.00 per share, respectively.

Commenting on the success of the debt conversion, founder and CEO Timothy J. Kilkenny said “We are delighted by the strong acceptance of the debt exchange offer. This eliminates interest expense exceeding \$54,000 per quarter, or approximately 10 percent of our gross revenues based on reported first quarter 2001 results. We believe this sends a strong message that our investors believe the opportunity for capital gains on our common stock exceeds the 12.5 percent annual interest return on the debt, and also represents a tremendous vote of confidence in our business plan, management team and employees.”

FullNet is a facilities-based Integrated Communications Provider headquartered in Oklahoma City, engaged in consumer and business Internet services, including 1) dial-up, DSL, dedicated and broadband wireless access, with customers in 25 communities in Oklahoma, and 2) web hosting, server co-location and telecommunications premise co-location, with customers throughout the United States and more than 40 foreign countries. For more information, visit the Company’s web site at www.fullnet.net.

Certain statements in this release may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Certain, but not necessarily all, of such forward-looking statements can be identified by the use of forward-looking terminology such as “anticipates,” “believes,” “expects,” “may,” “will,” or “should” or other variations thereon, or by discussions of strategies that involve risks and uncertainties. The actual results of the Company or industry results may be materially different from any future results expressed or implied by such forward-looking statements.