

ETHERNITY NETWORKS LTD

("Ethernity" or the "Company")

Exercise of Options

Total Voting Rights

Exercise of options

Ethernity announces that it has received from a former employee a notice to exercise options to subscribe for a total of 25,000 new ordinary shares of NIS 0.001 each in the Company ("Ordinary Shares").

Application has been made to the London Stock Exchange for a total of 25,000 new Ordinary Shares to be admitted to trading on AIM ("Admission") and Admission is expected to occur on or around 2 November 2018. The new Ordinary Shares will rank pari passu with the existing ordinary shares in the Company.

Total voting rights

Following Admission, the Company's enlarged issued share capital will be 32,556,686 Ordinary Shares. This figure of 32,556,686 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

For further information, please contact:

Ethernity Networks

Tel: +972 8 915 0392

David Levi, Chief Executive Officer

Mark Reichenberg, Chief Financial Officer

Arden Partners plc (NOMAD and Broker)

Tel: +44 207 614 5900

Steve Douglas / Benjamin Cryer

About Ethernity

Ethernity Networks is a technology solutions provider that developed and delivered data processing technology used in high-end Carrier Ethernet applications across the telecom, mobile, security and data center markets. The Company is currently working to accelerate commercialisation through the launch of its Smart NIC combined with virtualised software solutions, based on its validated data processing technology. The Company's core technology, which is populated on programmable logic, enables delivering data offload functionality at the pace of software development, improves

performance and reduces power consumption and latency, therefore facilitating the deployment of virtualization of networking functionality.

The Company is headquartered in Israel.