

20 December 2017

ETHERNITY NETWORKS LTD

("Ethernity" or the "Company")

**Ethernity's Carrier Ethernet technology selected by Australian equipment manufacturer
for 10Gb point-to-point wireless connection**

Ethernity Networks, (AIM:ENET), a technology solutions provider and developer of network data processing technology used in high-end Carrier Ethernet applications, today announces the signing of a contract with a global networking equipment manufacturer, based in Australia, which will incorporate Ethernity's patented data flow processing technology into the customer's 10 Gbps point-to-point wireless solution.

The contract, which has an upfront licensing fee plus ongoing usage royalties, will see Ethernity's customisable data flow processing solution used to create an optimal wireless replacement to fiber. This will allow carriers and service providers to simplify connection rollout and to reduce their costs whilst delivering reliability and low latency to their customers.

Ethernity's data flow processing code will be embedded within the customer's equipment and will deliver complete Carrier Ethernet compliant technology, including traffic management; switching; and Operation, Administration and Maintenance; and associated with the complete software abstraction layer that operates below the well-known Aricent's ISS Metro Ethernet Operations System. By delivering this comprehensive, ready-made solution, including proven software, the customer minimises the time taken to deploy in live environments.

David Levi CEO, Ethernity commented:

"We are delighted to see another market leading manufacturer committing to the very real advantages that our Carrier Ethernet technology offers. While our customer has a global customer base, this represents our first direct deployment with an Australian firm. Our successful track record in the telecoms market means that we are committed to providing the reliability and low latency that end users demand. Equally, our architecture allows us to quickly offer the most customisable, fully programmable solutions in the market today."

Ethernity will present its latest 5G Ethernet solution at the Mobile World Congress in Barcelona in February 2018.

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