

Ethernity Networks Ltd
(Ethernity or the "Company")
Company registration number: 51-347834-7.

Correction to Resolution Number 2 for the Annual General Meeting to be held on 13 August 2019

Shareholders are advised that an error has come to the attention of the Board of Directors regarding the Compensation Policy of the Company proposed for approval in terms of Resolution number 2 of the upcoming Annual General Meeting of the Company to be held on 13 August 2019.

The Policy and summary as outlined in the Notice to the Meeting and posted on the Company Website contained an error under item D of the published Policy, *"Equity Based Compensation"*.

The policy stated, *"With respect to options, the exercise price shall not be less than 75% of the mid-market price of the Company's ordinary shares on the AIM on the last trading day prior to the date of grant"*. This was erroneously stated and the resolution should be read as though "75% of" is deleted.

The amended text should therefore read *"With respect to options, the exercise price shall not be less than the mid-market price of the Company's ordinary shares on the AIM on the last trading day prior to the date of grant."*

On 6 May 2019, the Company's Remuneration Committee approved the Compensation policy for recommendation to the Company's Board of Directors. The approved policy included Equity Issues via options to Office Bearers being at the Mid Market price ruling on the last business day before the grant was made. This recommendation was accepted by the Board in the Board meeting held on the 11th of June 2019. The Notice of the AGM, the related resolutions and the posted Policy on the Company website erroneously referred to the issue price of such options being at 75% of the Mid Market Price. This does not reflect the proposed Company policy as recommended by the Remuneration Committee.

Shareholders that have issued their votes and wish to amend their voting are advised that this may be done by no later than close of business on 9 August 2019 as per the original cut-offs. Votes already cast will remain valid and will be counted unless amended votes or voting directions are received.

Shareholders who have not as yet voted are requested to take this amendment into account. The Compensation Policy proposed for adoption at the AGM shall be amended to reflect this change on adoption by the AGM.

For further information, please contact:

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Market Abuse Regulation

The information communicated in this Announcement is inside information for the purposes of Article 7 of Market Abuse Regulation 596/2014 ("MAR"). For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of the Company by Mark Reichenberg, Chief Financial Officer.