

4th October, 2016

ASX Announcement

ETHERSTACK PLC

[ASX:ESK]

("Etherstack" or the "Company")

ETHERSTACK SIGNS NEC CORPORATION (JAPAN) LICENSING DEAL

Etherstack is pleased to announce a substantial technology licensing contract with NEC Corporation which would see Etherstack wireless technology incorporated into NEC products.

"We are delighted to be working with NEC which has driven global innovation for over a century and is a world leader in wireless communications technologies," said Etherstack Group CEO, Mr. David Deacon. "By integrating tried and tested technology from Etherstack, NEC is able to de-risk and accelerate delivery of sophisticated radio systems."

The agreement relates to technology which will be delivered to NEC in 2016 by a multinational team of Etherstack engineers from the company's European R&D centres with local support provided by Etherstack's office in Yokohama, Japan. The contract is expected to contribute approximately 60 million Japanese Yen (US\$585,000/AUD \$770,000) to Etherstack's 2016 revenues.

Etherstack has an established R&D group based in Yokohama for over 10 years supporting its Japanese client base.

Enquiries

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About Etherstack plc (ASX:ESK):

Etherstack is a wireless technology company specialising in developing, manufacturing and licensing mission critical radio technologies for wireless equipment manufacturers and network operators around the globe. With a particular focus in the public safety, defence, utilities, transportation and resource sectors, Etherstack's technology and solutions can be found in radio communications equipment used in the most demanding situations. The company has R&D facilities in London, Sydney, New York and Yokohama.

About NEC Corporation (NEC; TSE: 6701):

NEC Corporation is a leader in the integration of IT and network technologies that benefit businesses and people around the world. By providing a combination of products and solutions that cross utilize the company's experience and global resources, NEC's advanced technologies meet the complex and ever-changing needs of its customers. NEC brings more than 100 years of expertise in technological innovation to empower people, businesses and society. For more information, visit NEC at <http://www.nec.com>