

5 October 2012

ASX release

Notification of proposed change in auditor

Etherstack plc (ESK) recently undertook a competitive tender process in connection with the supply of audit services to the Etherstack plc group of companies.

The decision to commence this process was primarily a result of:

- the incorporation of Etherstack plc in February 2012;
- the formation of an Etherstack plc Audit & Risk committee as an enhancement to the Corporate Governance structures connected to the listing of the company on the ASX; and
- the past competitive tender for audit services to the group was 5 years ago.

The company sought written submissions from the incumbent auditor and 3 other firms and received 4 very high quality responses.

As a result of the assessment of the tenders, the Board has selected Ernst & Young to provide audit services to the group and Ernst & Young will express an audit opinion on the 31 December 2012 financial statements.

The company, the outgoing auditor and Ernst & Young are currently completing the auditor resignation and appointment processes.

The appointment of Ernst & Young as auditor will be recommended by the Board to shareholders at the first Annual general meeting of the Etherstack plc.

About Etherstack plc

Etherstack plc is a global company specialising in wireless communication technology.

Etherstack has a substantial intellectual property portfolio that generates revenues from multiple technology areas and clients and a mix of mature, new and emerging products.