



ASX Announcement

28 March 2011

Stat Mux Markman Hearing update

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Code: IPR

Board of Directors

Non-executive Chairman:

Ross Norgard

Managing Director:

Graham Griffiths

Non-executive Directors:

Karl-Christian Agerup

Rob Newman

Stuart Nixon

Brad Rosser

Senior Management:

nearmap.com Chief Executive:

Simon Crowther

Group Chief Financial Officer:

Mark Maitland

General Counsel:

Jonathan Lawe Davies

Capital Structure

Fully-Paid Shares on Issue:

323.1 million

Unlisted Options on Issue:

7.76 million @ 16c

27.88 million @ 20c

12.50 million @ 40c

48.14 million

Cash Reserves:

A\$14M as at 28 Feb 2011

Perth, Western Australia – Diversified technology and intellectual property group, ipernica Ltd (ASX:IPR), today announced that a Markman hearing took place in the District Court for the Eastern District of Texas on Friday 25 March 2011, in respect of the Company's patent litigation against Ericsson (relating to ipernica's Statistical Multiplexing ("Stat Mux") patent).

Markman hearings are pre-trial hearings at which each side presents their arguments to a judge, as to how the claims of the particular patent being asserted should be interpreted. This interpretation of the patent claims is applied by the jury at trial to determine infringement and validity of the patent. In this hearing, there were seven terms in dispute, and the parties now await the Courts ruling on the interpretation of those disputed terms.

Previously, the District Court for the Eastern District of Texas set the following hearing dates:

1. Pretrial Conference: 29 August 2011;
2. Jury Selection: 6 September 2011.

The trial will commence on or soon after 6 September 2011.

Background

ipernica has been involved in two rounds of litigation in respect of the Stat Mux patent, referred to as the "Stat Mux I" and "Stat Mux II" cases. Both cases were commenced by ipernica in the District Court of the Eastern District of Texas (Marshall), claiming damages for patent infringement and other remedies. ipernica is represented by prominent US law firm Fulbright & Jaworski L.L.P on a contingency fee basis.

The Stat Mux patent covers a widely used methodology for ensuring that telecommunications switches and routers operate efficiently, in circumstances where capacity of the switches or routers is threatened by an overflow of traffic.

In Stat Mux I, ipernica sued major global telecommunications companies Cisco, Alcatel, Lucent, Juniper Networks and Nortel Networks for infringement of the Stat Mux patent. Prior to the trial in April 2007, ipernica settled with all parties except Nortel, obtaining gross pre-trial revenues of US\$15 million. At trial, the judge and jury held that Nortel had wilfully infringed the Stat Mux patent. The claim against Nortel was eventually settled for US\$12 million in March 2008.

ipernica initiated the Stat Mux II case in April 2007 against several telecommunication companies. Since then, ipernica has reached

settlement agreements with all Stat Mux II defendants except Ericsson, and has negotiated the grant of a license to one company which is not a defendant to the litigation. The gross revenues from the Stat Mux II program to date are US\$4 million.

On 27 August 2009 the Court granted a request from Ericsson to stay the infringement proceedings pending the result of the re-examination of the Stat Mux patent by the US Patent and Trademark Office ("USPTO"). The re-examination included assessment of prior art presented to the USPTO. As a condition of the stay, Ericsson agreed that it would not argue invalidity at trial based on any of the prior art considered in the re-examination proceedings, and would not file any future re-examination proceedings in relation to the Stat Mux patent.

On 20 October 2010, ipernica succeeded in its appeal of the re-examination of its Stat Mux patent, with the USPTO confirming that the Stat Mux patent is valid in its original form. All re-examination proceedings at the USPTO have been favourably terminated or denied, clearing the way for ipernica to re-commence the Stat Mux II lawsuit against Ericsson.

about ipernica

ipernica is a diversified technology and intellectual property ("IP") commercialisation group which is focused on the creation and exploitation of IP rights on a global basis, including 100% owned subsidiary nearmap.com, a location based media company that creates high quality, current and changing PhotoMaps.

Further Information:	Graham Griffiths, Managing Director, ipernica ltd Tel: +618 9420 8500 Email: graham.griffiths@ipernica.com Website: http://www.ipernica.com
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