

14 May 2009

**AN OPEN LETTER TO ALL PARTIES INTERESTED IN BESTNET EUROPE
LIMITED AND ITS PRODUCT "NETPROTECT"**

Dear Sirs

Bestnet Europe Limited and its product "Netprotect"

We act for Bestnet Europe Limited ("Bestnet") in connection with proceedings which were commenced in the High Court in London in January 2007 by Vestergaard Frandsen ("VF"). We have been asked to write to you to clarify the situation following the Judgment which was handed down by the Court on 3 April 2009, since we understand that you may have been told that the sale of Netprotect has been forbidden. This is not the case.

When these proceedings were commenced in January 2007, VF claimed an injunction to restrain Bestnet and the other defendants from selling, offering for sale or manufacturing Netprotect polyethylene nets containing insecticide.

This was based in particular on an allegation that Netprotect was being manufactured according to recipes identical to or substantially similar to the production recipe of VF's product Fence.

On 3 April 2009 in response to VF's continued claim for an injunction preventing the manufacture and sale of Bestnet's current Netprotect product, the Judge commented as follows:

"I will merely observe that it is not obvious to me that an injunction is an appropriate remedy or, if it is, that it should extend to preventing the manufacture and sale of the defendant's current product. Although I have concluded that Dr Skovmand misused VF's trade secrets, he did not simply copy any particular recipes. Moreover, the misuse of VF's trade secrets I have found was merely the starting point for a substantial program of further development which resulted in a formulation which was different from any of VF's recipes in a number of respects."

He then went on to describe three essential differences between VF's recipes and Bestnet's formulation.

There is to be a further hearing on 21 May 2009 when the Judge will hear further argument in relation to remedies but it is important to note that VF have not obtained an injunction in the UK and unless that position changes, which appears very unlikely from the Judge's

comments, there is and will be nothing to prevent future manufacture or sale of Netprotect. In any event, Bestnet intends to appeal against the conclusion that the defendants are liable for breach of confidence.

The Judgment is 245 pages long, and recently a public version has been released (which has been redacted to conceal what is claimed to be confidential information) which we can send to you should that be of assistance.

You may also have been told of an injunction obtained by VF in India. This injunction was obtained in the absence of Bestnet but in any event Bestnet's Indian lawyers advise it does not extend to an insecticide incorporated net like Netprotect.

There are no court orders of which we are aware in any jurisdiction which prevent the manufacture and sale of Netprotect.

We hope that this letter is helpful but should you require any further information please do not hesitate to contact the writer, Michael Tackley, who would be delighted to try to assist you further.

Yours faithfully

A handwritten signature in cursive script, appearing to read "Michael Tackley".

McGuireWoods London LLP