

PSINAPTIC INC.
NEX: PST.H

FOR IMMEDIATE RELEASE

August 20, 2008

**PSINAPTIC INC. AND NOVATIUM SOLUTIONS PVT LTD ANNOUNCES THE
SIGNING OF A SOFTWARE INTEGRATION AND LICENSE AGREEMENT**

CALGARY, AB and CHENNAI, INDIA, PsiNaptic Inc. (NEX: PST.H) the first company to implement standalone Jini™ Network Technology for embedded processors, and Novatium Solutions Pvt Ltd the leading provider of sub \$100 computers for Thin Client networking systems in India announced today that they have signed a definitive Software Integration and License Agreement.

Under the terms of the agreement, PsiNaptic will licence its award winning JMatos™ and JCopia Jini Networking Technology for embedded computing devices and Java™ software to run on all of Novatium's Nova NetPC and Servers. In addition PsiNaptic will exclusively provide Novatium with Java applications which will be made available to Novatium's customers on its network. Novatium and PsiNaptic will share in the revenue that Novatium will collect from customers using these applications.

Novatium has partnered with some of India's largest telecommunications companies to provide internet connectivity and computer applications to every home in India, and is in the midst of national deployment in India as well as in Thailand and Mauritius.

Novatium is the pioneer in utility computing service domain, offering a wide variety of applications, utilities and content over local and remote desktop via telecom-network like ADSL and metro Ethernet. Novatium's computing servers are placed behind the Telecom and Internet service provider's network backbone and directly extend the connection from ISP's NOC [Network Operation Center] to subscribers home. At home, a subscriber uses the Nova netPC as an enabler and intelligent access device to enjoy local and remote desktops and applications.

“We are delighted to partner with Novatium” says Aaron Dagan PsiNaptic's President and CEO. “Novatium represents the future of affordable computing systems and of making the dream of computers for every home a reality. Novatium's selection of PsiNaptic's networking software is further testament to the strengths and advantages that PsiNaptic software is providing to our partners and the market.”

“We are proud to have PsiNaptic as a valued partner in our utility computing service ecosystem” says Mr. Alok Singh, Novatium's CEO. “We believe that PsiNaptic will help us to enhance our subscriber experience through their technology and content.”

About PsiNaptic Inc.

PsiNaptic is a technology company that develops and markets software based on open standards, to connect small, low-power wired or wireless devices without human intervention, configuration or set up.

PsiNaptic software uses the Java concept of “write once, run anywhere” and code mobility to deliver application code to devices when and where the code is required. This approach to device interaction eliminates the need for both devices to have pre-installed application specific software, drivers or graphical user interfaces. Resource constrained devices, such as mobile phones, music or game players, appliances etc. can execute an infinite number of applications.

PsiNaptic solutions operate on multiple platforms, across various networks including Bluetooth and WiFi.

About Novatium:

Novatium Solutions Pvt. Ltd, is a utility computing service provider pioneer in delivering computing service for home users. Novatium has developed the complete computing ecosystem with all major players, innovated required technologies and networked with dominant players in the region for delivery simplified computing.

PsiNaptic Inc.

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