

MEDIA RELEASE



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Azurn wins global licensing deal: Enters global revenue sharing partnership for education content delivery with Hughes Network Systems

- Wins global licensing deal for Azurn's Merlin education delivery platform -**
- Enters global revenue sharing partnership for education content delivery -**

Melbourne, EMBARGOED until October 14, 2008 – Melbourne based Azurn International Limited (Azurn) and Hughes Network Systems LLC (Hughes) – the largest provider of broadband satellite networks in the world by market share¹ - have entered into a global partnership to deliver interactive on-site education leveraging Hughes' satellite broadband network. Hughes selected Azurn's MERLIN as its global education delivery platform. In addition, both companies will enter into a revenue sharing partnership for the delivery of education content worldwide.

Hughes selected Azurn's MERLIN as its global education delivery platform from a shortlist of ten different offerings from around the world. This is a global licensing deal whereby Azurn will receive a licensing fee of US\$150 per user.

Hughes already offers education services to the global market through a franchise model and Government partnerships. Its primary market is India where it delivers solutions to more than 100 cities. With Azurn's technology Hughes plans to expand the current offering to over 500 cities in India within the next 18 months or 30,000 education delivery centres.

The Indian education market is estimated to be worth US\$40 Billion², with households spending more than 20% of disposable income on education. Some of India's leading institutions, including the Indian Institute of Technology and Indian Institute of Management, as well as major IT/BPO companies are leveraging Hughes' education delivery model to deliver courses and for recruitment and training purposes.

Hughes will also pursue global market opportunities with Azurn in the USA, Europe, Brazil and Australia. The company has over 1.5 million satellite terminals around the world, which can be connected to deliver interactive on site education.

"This deal is not only a great win for Azurn, but also sends a broader message out to the Australian ICT industry that despite the uncertain economic climate, deals of this scale can still be made. This is a long term partnership and we look forward to working collaboratively with Hughes to explore other global business opportunities in the education space," said Ananda Rao, CEO of Azurn.

The Azurn MERLIN is an interactive coaching and tutoring system that is optimised for satellite delivery

¹ Hughes holds 50.3% global market share for VSATs and services 60 per cent of all the VSAT sites worldwide through a combination of its own services and via its partners. Comsys VSAT report 2007.

² "Riding the Elephant," by John Elliott published in Fortune Magazine July 2008. Figures quoted by Technopak, a Delhi-based investment consultancy.

for distance education. It supports audio, video and data content delivery to enable parent-teacher interaction, student collaboration for group assignments, student-teacher interaction and social networking under the safety of school control. The solution is built in a platform agnostic environment, which was an important factor for Hughes as the Indian government is encouraging a Linux environment to reduce the cost of ownership to small and medium businesses.

“Reducing the entry level costs for franchisers is a key commercial driver for Hughes to allow us to meet our global education delivery targets. This important global partnership allows us to reduce the licensing costs for multi operating systems support for the franchiser. Further, working with an education focused partner like Azurn, enables us to continuously evolve our education solution by offering cutting edge features to our customers.” said Dharmendra Singh, Technology Head of HughesNet Global Education Workgroup.

In addition to the global licensing deal, Hughes is interested in delivering publishing content through the sale and rental of academic e-books leveraging Azurn’s eLibrary subscription model. Azurn has access to large volume of academic material due to its client relationships with the largest academic (scientific, technology and medical) publishers, aggregators and distributors from around the world. These include McGraw- Hill Education, Harcourt, Scholastic, Taylor& Francis, Gardners and Heinemann. The deal will be structured around a revenue sharing model.

“The Hughes deal puts Azurn at the technology forefront by providing a cost-effective, multi-platform solution to deliver education content anywhere and anytime through Hughes’ worldwide satellite network. Further, it offers a great business opportunity for Azurn to leverage high quality academic and educational content through our relationship with leading academic publishers,” said Rama Kumble, President Business Solution, Aurn.

Azurn and Hughes are exploring the possibility of leveraging course material and content from Australian education institutions to the lucrative Indian market. Also of mutual interest is regional and rural community education in Australia which Hughes can readily serve using the combined satellite and education delivery technology and services.

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About Azurn International

Azurn International is a global provider of business process collaboration platforms and solutions. In 2007, Azurn acquired content management solutions business, Value Chain International Limited (VCIL), to strengthen its market reach and leverage its content delivery capability. The combined entity provides content and collaboration solutions to leading publishers and blue chip organizations worldwide. Headquartered in Melbourne, Australia, Azurn has a direct presence in five markets – Australia, Singapore, India, USA and the UK, and operates world-class development centers in Bangalore, Pune and Coimbatore in India. The company employs 400 employees worldwide. Azurn’s Australian clients include Liberty Financial, NEC, UCMS, Pacific Apartments and Spinifex Publishing. For additional information, please visit www.azurn.com.au

About Hughes Network Systems

Hughes Network Systems, LLC (HUGHES) is the global leader in providing broadband satellite networks and services for large enterprises, governments, small businesses, and consumers. HughesNet encompasses all broadband solutions and managed services from Hughes, bridging the best of satellite and terrestrial technologies. Its broadband satellite products are based on global standards approved by the TIA, ETSI, and ITU standards organizations, including IPoS/DVB-S2, RSM-A and GMR-1. To date, Hughes has shipped more than 1.5 millions systems to customers in over 100 countries. Headquartered outside Washington, D.C., in Germantown, Maryland, USA, Hughes maintains sales and support offices worldwide. Hughes is a wholly owned subsidiary of Hughes Communications, Inc. (NASDAQ: HUGH). For additional information, please visit www.hughes.com