

12 October 2010

**Avisen plc**  
("Avisen" or the "Company")

**Settlement of Claim**

The board of directors (the "Board") of Avisen, the AIM quoted performance management specialist, is pleased to announce that it has today reached an agreement to settle a claim received by Xploite Plc ("Xploite") prior to Avisen's acquisition of Xploite in April 2010.

As disclosed in the Company's circular released in respect of the acquisition of Xploite in April 2010 (the "Circular"), on 19 February 2010, Xploite received details of potential claims amounting to approximately £4.5 million in relation to an ongoing dispute between VBHG Limited ("VBHG"), a former subsidiary of Xploite, and Cantono PLC ("Cantono").

Avisen has continued to negotiate with Cantono since the date at which the Circular was issued with a view to reaching a settlement which is agreeable to both parties. As a result of these negotiations, it has today been agreed that an amount of £300,000 will be paid to Cantono in the near term, with a further potential payment of £300,000, only payable in certain circumstances relating to an exit or disposal within 3 years, in full and final settlement of the claim, to be satisfied from the Group's existing resources.

**Commenting on the settlement, Marcus Hanke, Chief Executive Officer said;** "The Board has worked hard to reach an agreement with Cantono and I sincerely appreciate their position and the reasonable way in which they discussed and negotiated this potentially material litigation with us. I am delighted that this has now been settled. This provides more certainty to the Company in respect of its financial position, and allows us to continue our focus on positioning Avisen as a niche provider of software supported solutions.

"I firmly believe that the business is now well placed for robust future growth and I look forward to providing further positive news for the Company's shareholders in the future."

**Joint Administrator to Cantono Plc, Jonathan Birch, partner at FRP Advisory LLP, the specialist restructuring, recovery and insolvency firm, continued:** "I am pleased that this has been resolved without the need to go to court. In arriving at this commercial settlement, it has been important to have regard to affordability for Xploite, which has been successfully achieved."

The Board of Avisen (AIM: AVI) is pleased to announce the appointment of Strand Hanson Limited as Nominated Adviser and Broker to the Company with immediate effect.

For further information:

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