

YOUNG & THOMPSON

International Patent & Trademark Law

June 16, 2005

Established 1903

Emil Bönnelycke
1875-1936

William H. Young
1902-1958

Irvin S. Thompson
1903-1979



Fogale Nanotech
Parc Kennedy-Bât A3, 285 Rue Gilles
Roberval, F-30900 Nimes
France

Re: *Fogale Nanotech v. Aber Instruments, Ltd. et al*
Our Ref.: 0501-138

Dear Sir/Madam:

This is to inform you that the Declaratory Judgment Action by Fogale Nanotech in the United States has been resolved in a manner which makes it clear that neither Fogale nor its distributors nor customers may be sued for infringement of U.S. Patents No. 4,965,206 and No. 4,810,650. The patents are owned by Abertec Limited, and Aber Instruments, Ltd. is a licensee of Abertec.

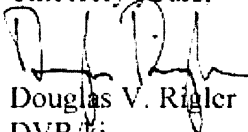
The Declaratory Judgment Action filed by Fogale asked the Court to declare that the patents are not infringed by the Fogale Nanotech Biomass System. Fogale's complaint also contained a claim that the Aber patents are invalid and, in addition, may not be enforced because the inventors committed inequitable conduct before the U.S. Patent Office during the prosecution of the patent.

In response to Fogale's claims Aber Instruments asserted that the Fogale Nanotech Biomass System did infringe the patents.

Rather than proceed with the litigation, however, Abertec, the actual owner of the patents, gave a written covenant not to sue to Fogale for infringement. Shortly thereafter Aber Instruments, Ltd. also gave a written covenant not to sue. As noted, this covenant extended protection to Fogale's distributors and customers. The legal meaning of a covenant not to sue is that it is an enforceable promise not to sue the designated parties (Fogale and its customers and distributors) for infringement of the patents through manufacture, sale, or use of the Fogale Biomass Systems in the United States.

We are pleased to have obtained this resolution for Fogale.

Sincerely yours,


Douglas V. Ridler
DVR/kj

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