

Network-1 Announces Amended License with Lifestreams and Additional Investment

NEW YORK, July 19, 2013 /PRNewswire/ -- Network-1 Security Solutions, Inc. (OTC BB: NSSI) announced today that Mirror Worlds Technologies, LLC. ("MWT"), its wholly owned subsidiary, has entered into an amended License Agreement (the "Amended License") with Lifestreams Technologies Corporation ("Lifestreams"), a company that develops next generation applications and methodologies aimed at organizing and displaying digital data.

The License Agreement pertains to MWT's patent portfolio relating to foundational technologies covering technologies that enable unified search and indexing, displaying and archiving of documents in a computer system. The patent portfolio was acquired in May 2013 by MWT from Mirror Worlds, LLC. As part of the Amended License, MWT was granted a warrant (the "Warrant") to purchase 7.5% of outstanding shares of common stock of Lifestreams on a fully diluted basis.

In addition, as shareholder in Lifestreams, Network-1 recently exercised its pre-emptive right and made an additional investment in Lifestreams as part of Lifestreams recently completed Series A Preferred Stock financing.

"As evidenced by this Amended License and our additional investment, we are committed to the success of Lifestreams and excited about its prospects," said Corey M. Horowitz, Chairman and Chief Executive Officer of Network-1. We believe that the solutions being developed by Lifestreams are extremely innovative and reflect the value and potential of the patent portfolio," he added.

Professor Gelernter and Dr. Eric Freeman, consultants to Network-1, are inventors of the Patent Portfolio, and are associated with Lifestreams. Professor Gelernter is a professor of Computer Science at Yale University and Chief Scientist at Lifestreams. He is also contributing editor to The Weekly Standard and a former member of the National Council of the Arts. He is widely viewed as a 'visionary' in the field of parallel, or distributed, computing and is the author of several books including Mirror Worlds (1991), which "foresaw the World Wide Web (Reuters, 3/20/01, and others). It's been called "one of the most influential books in computer science" (*Technology Review*, July 2007).

Dr. Eric Freeman is the Chief Technology Officer at Lifestreams and a Principal of WickedlySmart, LLC. He holds a Ph.D. in Computer Science from Yale University. He was previously an executive at the Walt Disney Company where he served as Chief Technology Officer for Disney Online, Vice President of Disney Parks and Resorts Online and also Director of Technology for Disney's Go.com.

As previously announced in May 2013, MWT initiated patent litigation against several

vendors of document system software and computer systems in the United States District Court for the Eastern District of Texas, Tyler Division, for infringement of U.S. Patent No. 6,006,227 (the "227 Patent").

Named as defendants in the lawsuit are Apple, Inc., Microsoft, Inc., Hewlett-Packard Company, Lenovo Group Ltd., Lenovo (United States), Inc., Dell, Inc., Best Buy Co., Inc., Samsung Electronics America, Inc. and Samsung Telecommunications America L.L.C. MWT seeks, among others things, monetary damages based upon reasonable royalties.

The '227 Patent was among 9 patents and 5 pending patent applications acquired by Network-1, through MWT, from Mirror Worlds, LLC on May 21, 2013. The '227 Patent entitled "Document Stream Operating System" relates to methods that enable unified search, indexing, displaying and archiving of documents in a computer system. The inventions described in the '227 Patent resulted from the work done by Professor David Gelernter, and Dr. Eric Freeman.

ABOUT NETWORK-1 SECURITY SOLUTIONS, INC.

Network-1 Security Solutions, Inc. is engaged in the acquisition, development, licensing and protection of its intellectual property and proprietary technologies. It currently owns nineteen (19) patents covering various telecommunications and data networking technologies and technologies relating to document stream operating systems and the identification of media content. Network-1 currently has sixteen (16) license agreements with respect to its Remote Power Patent, which include, among others, license agreements with Cisco Systems, Inc., Cisco Linksys, Inc., Extreme Networks, Inc., Netgear Inc., Motorola Solutions, Inc., Allied Telesis, Inc., NEC Corporation and several other data networking vendors. The Remote Power Patent covers the remote delivery of power over Ethernet networks. The Remote Power Patent was granted by the U.S. Office of Patents and Trademarks on April 21, 2001 and expires on March 11, 2020. In addition, Network-1 seeks to acquire additional intellectual property assets and enter into strategic relationships with third parties to monetize their intellectual property assets.

This release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements address future events and conditions concerning Network-1's business plans. Such statements are subject to a number of risk factors and uncertainties as disclosed in the Network-1's Annual Report on Form 10-K for the year ended December 31, 2012 including, among others, the continued validity of Network-1's Remote Power Patent, the ability of Network-1 to enter into additional license agreements, the ability of Network-1 to receive significant royalties from its existing license agreements, the uncertainty of patent litigation, risks related to the reexamination of Network-1's Remote Power Patent by the United States Patent and Trademark Office, Network-1's ability to achieve revenues and profits from its intellectual property or the intellectual property of its strategic partners, Network-1's ability to execute its strategy to acquire additional patents or enter into strategic relationships with third parties to license or otherwise monetize their intellectual property, the continued viability of the PoE market, future economic conditions and technology changes and legislative, regulatory and competitive developments. Except as otherwise required to be disclosed in periodic reports, Network-1 expressly disclaims any future obligation or undertaking to update or revise any forward-looking statement contained herein.

Corey M. Horowitz, Chairman and
CEO

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