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CARDXX ANNOUNCES FILING OF ADVANCED SMART CARD PATENT FOR NEXT GENERATION CARD PLATFORMS

Englewood, Colorado - CardXX, Inc. (CXCQ.PK) a leading smartcard manufacturer, today announced that the Company has added to its patent portfolio with the filing of its Advanced Smart Card patent for next generation smart cards. The patent filing allows Cardxx to expand the application areas for its RAMP process into new domains, including Sensor Packaging, and Battery-powered Smart Cards.

Advanced smart cards are capable of many sophisticated functions, such as displaying data, enabling users to enter Personal Identification Numbers (PIN) and passwords, and detecting security threats. These next generation smart cards are developing as the basis for new smart card capabilities and applications. For example, a smart card equipped with a battery, data display, and keypad would enable users to view their current balance of electronic purse applications, recent credit card transaction information, or bank account balance information. These capabilities could also be utilized to enhance security with password-enabled credit card functions.

Smart Cards are being utilized in great numbers for access control systems, storage of biometric data, national border control, and in many other applications. For example, the U.S. Department of Defense (DoD) Common Access Card (CAC) project requires a contactless chip to contain biometric data about a citizen including a digitized portrait and fingerprint data.

These patents position CardXX as a leader in next-generation smart card manufacturing, and will enable the production of cards incorporating batteries, data displays, keypads, chemical sensors, fingerprint sensors, and other electronic components that are generally not found in conventional smart cards. The unique capabilities of the low-temperature, low-pressure polymer injection molding technique employed by CardXX are very well suited to the manufacture of next-generation smart cards, thus enabling a wide range of new smart card applications.

ABOUT CARDXX

CardXX provides secure encapsulation of advanced electronics through manufacturing and licensing secure and intelligent Smart Cards using its proprietary, patented encapsulation process known as the Reaction Assisted Molded Process (RAMP). CardXX has received certification from the National Institute of Standards and Technology (NIST) for overall Level 3 compliance, including physical security with the Federal Information Processing Standard (FIPS) 140 -- Security Requirements for Cryptographic Modules. The Company's website is www.cardxx.com.

The Statements contained in this release that are not purely historical are forward-looking statements within the Private Securities Litigation Reform Act of 1995 and are subject to various risks, uncertainties and other factors that could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by such forward-looking statements. Forward looking statements include, but are not limited to, those relating to demand for the Company's services, expected demand

for our services and expectations regarding our revenues, the Company's ability to continue to utilize goodwill, to continue to increase gross margins, to achieve and manage growth, to develop and market new applications and services, risks relating to the acquisition and integration of acquired businesses, demand for new services and applications, timing of demand for services, industry strength and competition and general economic factors. Investors are directed to consider such risks, uncertainties and other factors described in documents filed by the Company with the Securities and Exchange Commission.

