

CardXX Responds to Innovatier Lawsuit and Deepens Relationship with Identita by Broadening Its Patent Portfolio Worldwide

ENGLEWOOD, Colo.--(BUSINESS WIRE)--CardXX, a leading technology provider for advanced electronics packaging solutions, has announced that Innovatier, its former licensee, has commenced an action against it alleging that their agreement was improperly terminated. CardXX at all times has maintained that the termination was completed in full compliance with the terms of the agreement with Innovatier. CardXX will vigorously defend its new licensee relationship with Identita International as well as the lawsuit brought against CardXX.

CardXX has continued to expand its broad patent portfolio (four U.S. patents and six international patents) with the grant in June 2007 of a Memory Card patent from the USPTO based on the unique properties of CardXX's proprietary Reaction Assisted Molded Process (RAMP) technology. In addition, CardXX has a pending patent for Advanced Smart Cards that applies RAMP technology to the production of advanced smart cards and devices that may include batteries, RFID devices, displays, switches, ICs, sensors, and other elements. CardXX's Memory Card and Advanced Smart Card patents are currently progressing through National Phase filings in numerous countries around the world.

Identita One Time Password cards were recently selected as the winners in a competitive bidding process in Korea. Furthermore, exhaustive testing conducted by Eclipse Laboratories confirms that Identita One Time Password smart cards produced with patented and proprietary CardXX processes fully conform with all key ISO and ANSI card standards.

The revolutionary One Time Password (OTP) smart card produced by Identita International is protected by the patents and proprietary Intellectual Property of CardXX, Inc. CardXX's patents and Intellectual Property will continue to enable Identita to produce innovative products that deliver uniquely effective solutions to smart card markets worldwide.

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.