



News Release

New RFID Tag First to Deliver ‘Onboard’ Security for Pharmaceutical Supply Chain

WESTPORT, CT, November 14, 2006 – SecureRF announced today a new RFID tag with onboard security and cold chain management features, targeting pharmaceutical supply chain applications. The new tag uses SecureRF’s breakthrough in security technology to actively authenticate and encrypt reader/tag communications, an industry first. This solution will help pharmaceutical manufacturers and distributors provide a tamper-proof record right down to the item level that will prove the packaged drug is authentic, and ensure privacy by allowing only authorized readers access to sensitive information.

“We are announcing a solution to the problem the entire industry has been trying to solve—how you put strong security on an EPCglobal Gen 2 RFID tag,” said Louis Parks, founder and CEO of SecureRF. “We’re not just storing secured information or signatures on a tag; we are using the tag to actively authenticate the reader and uniquely encrypt the data in each communication session.”

The new RFID solution is based on SecureRF’s breakthrough cryptographic protocol, the Algebraic Eraser™ (AE). Thousands of times more efficient than existing methods for an equivalent level of security, the AE makes it possible for the first time to put authentication and data protection protocols directly on a passive RFID tag and provide high levels of communication security with readers.

Mike McGregor, formerly a lead RFID chip designer at Alien Technology Corp. and one of the industry’s foremost RFID engineers, is leading the development of the new tag. SecureRF’s founders include three world-class mathematicians/cryptographers who developed the cryptographic algorithm.

Pharmaceutical manufacturers can use the authentication and data protection features of the SecureRF tag to address problems of drug counterfeiting by using a range of recognized cryptographic methods to create an unalterable electronic “seal.” Current estimates put the cost of drug counterfeiting at more than \$40 billion, according to the World Health Organization. The United States is ranked sixth on the world’s top ten countries for counterfeit drug seizures/discoveries, according to the Pharmaceutical Security Institute (PSI) 2005 Situational Report.

The SecureRF tag also includes a temperature sensor. It addresses industry issues of pharmaceutical cold chain management by monitoring and securely recording an item level temperature history. Tracking temperature sensitive, high value pharmaceuticals and biologicals from production to use is increasingly critical to ensuring drug safety and efficacy.

The SecureRF solution also provides strong privacy protection for consumers and will help address Health Insurance Portability and Accountability Act (HIPAA) privacy requirements. The SecureRF tag protects privacy by preventing unauthorized reading of the information in the tag with strong authentication, something today's RFID tags cannot do.

SecureRF's first secure tag, a battery-assisted passive tag that supports EPCglobal Gen 2 standards, will be available for industry pilots early in the first quarter of 2007. The company also plans to add a secure passive tag to its product offering in the fourth quarter of 2007.

About SecureRF

SecureRF Corporation provides secure radio frequency identification (RFID) solutions for high value asset tracking, monitoring and anti-counterfeiting applications in the pharmaceutical, defense and homeland security sectors. The company's technology, based on a breakthrough in cryptography that is lightweight yet highly secure, provides authentication and data protection security for passive, semi-active and active RFID tags that meet both EPCglobal and ISO standards. SecureRF solutions provide additional features for cold chain management and can also be licensed as a software toolkit, a core, or a chip, addressing a wide range of applications and environments. SecureRF is a member of EPCglobal and AIM Global. More information about SecureRF can be found on its Web site at www.SecureRF.com.