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News Release

SecureRF Awarded National Science Foundation Grant for Secure RFID Tags

Security on RFID Tags Will Benefit Pharmaceutical and Other Industries

WESTPORT, CT, November 2, 2007 –SecureRF Corporation announced it has received a National Science Foundation (NSF) Small Business Innovation Research (SBIR) grant to promote the development of a secure radio frequency identification (RFID) tag. SecureRF, developer of the world's first linear-based security methods, will be using this grant to adapt and implement strong security features on UHF passive RFID tags for use in the pharmaceutical industry. The company will be partnering with the National Council for Prescription Drug Programs, Inc. (NCPDP) and a major US pharmaceutical distributor in their development effort.

"Our security methods were successfully deployed on our LIME Tag™, a battery-assisted passive RFID tag with temperature sensor, that authenticates and protects data communications between a reader and tags," said Louis Parks, SecureRF's CEO. "This experience with UHF tags supports our belief that our protocols will also address the security needs of a purely passive tag. Through this grant we will address a real need for secure RFID in a broad range of applications, including the pharmaceutical industry."

The pharmaceutical industry incurs over $40B in annual losses due to drug counterfeiting and divergence which directly threatens patient safety. The FDA is urging the industry to adopt RFID technology to mitigate these threats but a large exposure remains if the security of the data on the tag can not be ensured. This project will also provide benefit to high value asset tracking, contactless payment systems, Defense and Homeland Security including border security, and Near Field Communications.

"Secure passive RFID technology has tremendous commercialization potential and first time winners of SBIR grants, like SecureRF, are inspiring to other innovative Connecticut businesses," according to Deb Santy, Director of the Connecticut SBIR Office. Deb went on to say, "With the successful demonstration of their concepts in this Phase 1 grant, the company may be selected to receive Phase II funding allowing them to build a working prototype and advance their technology to the point where they can create additional high paying technology jobs in Connecticut."

The Connecticut SBIR Office, funded by the Office for Workforce Competitiveness, is an initiative of the Connecticut Center for Advanced Technology, Inc. It was created to help small businesses in Connecticut, such as SecureRF, capture federal SBIR grants. The Connecticut Center for Advanced Technology, Inc. is a non-stock, tax exempt corporation that works in partnership with industry, government and academia to strengthen technology led economic competitiveness

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SecureRF's team of world-leading mathematician/cryptographers have developed a public key cryptography security protocol, known as the Algebraic Eraser™, which is thousands of times smaller and faster than any other cryptographic function. The SBIR Phase 1 project, under the direction of SecureRF's CTO, Dr. Iris L. Anshel, will show the feasibility of implementing this security protocol within passive EPCglobal Gen 2 UHF RFID tags.

SecureRF received this grant under the 2007 NSF SBIR/STTR Solicitation (NSF 07-551) and the award abstract can be viewed at http://www.nsf.gov/awardsearch/showAward.do?AwardNumber=0740472.

About SecureRF

SecureRF Corporation provides secure radio frequency identification (RFID) solutions for high value asset tracking, monitoring and anti-counterfeiting applications in the pharmaceutical, food, defense, homeland security and other sectors. The company's technology, based on a breakthrough in cryptography that is lightweight yet highly secure, provides authentication and data protection security for RFID tags that meet both EPCglobal and ISO standards. SecureRF's LIME Tag™ is a secure, battery-assisted, passive RFID tag with optional sensors that provide cold chain management functionality. SecureRF solutions 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.

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Editors Note:

Passive RFID tags do not have batteries and are powered only by reflecting back radio waves from the reader. They can not run complex circuits or encryption algorithms that require a significant amount of processing power. This has prevented strong protection of tag data and identity leaving passive RFID tags vulnerable to many forms of commercial and consumer abuse such as unauthorized reading, copying, or tracking.

Battery–assisted passive RFID tags, also known as semi-active tags, communicate using the same backscatter technique as passive tags and use a battery to run the circuitry on the microchip or an onboard sensor. The inclusion of a battery provides more computing power to implement security than what is currently available on a passive RFID tag.