

**Isotag and Biocode Merge to Create Authentix, Global Leader in The Authentication Industry
Authentix Creates Unequalled Brand Protection Solutions in Pharmaceuticals, Fuels, Agrochemicals
and Spirits Industries**

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DALLAS, Nov. 19 /PRNewswire/ -- Isotag Technology Inc. and Biocode Inc. today announced the completion of their merger, to create the leading total solutions provider in brand protection and fiscal recovery worldwide. Under the new name Authentix, the merger brings together comprehensive services and technology for the prevention of product counterfeiting, adulteration and diversion. Authentix, which is already the global leader in fuel authentication, is now positioned to lead the pharmaceuticals, spirits, agrochemicals and government security markets.

Isotag's patented molecular marking technology enables in-product and on- packaging authentication, and through its acquisition of Calyx earlier this year, the company also has extensive experience with both overt and covert security inks. The merger expands this portfolio to include the unique abilities of Biocode's patented Marker Pair technology to mark ingestible products such as pharmaceuticals, foods and beverages. Both companies have extensive experience in managing in-market testing programs for clients to ensure and maintain brand and distribution integrity. The combined resources Isotag and Biocode provides brand owners and governments with a total authentication service including; risk analysis, solutions design, program implementation and remediation.

"Authentix will address the \$600 billion problem of product counterfeiting facing today's global corporations," said David Moxam, CEO of Authentix (formerly CEO of Isotag). "The technical and service platforms of the two companies are synergistic and as such, our combined abilities are greater than the sum of our parts. In the last three years, we have recovered nearly \$3 billion in lost sales and tax revenues for our clients. These recoveries help maintain employment and essential services such as health and education, especially for our government clients in developing countries. Moreover, we enhance their reputation for good governance and build consumer confidence in the brands of our corporate clients."

Moxam added that Authentix sets new standards in the authentication and tracking industry through its key points of difference. These points of difference include a focus on solution outcomes and not just technology inputs, credible experts with proven experience in client industries, and a one-stop shop for solutions design, implementation and management.

For example, in the pharmaceutical industry, one of the largest global pharmaceutical manufacturers turned to Isotag to develop a strategic solution to protect a leading prescription drug. The drug was discovered in counterfeit use in the U.S. market, thus creating company and product reputation risks, product shortages, and quality-control issues. In less than four weeks, Isotag provided an FDA approved solution, to ensure that patients could easily distinguish genuine product from counterfeit. The solution included both overt and covert features on the packaging and labeling, which could be verified by consumers and inspectors in the field and laboratory. With the support of Isotag, the pharmaceutical company saved more than \$1 billion by averting a product recall, while maintaining confidence in the brand among consumers and the broader healthcare community.

Authentix's solutions are targeted at the pharmaceutical, spirits, fuels, agrochemical, consumer, and government security industries. The solutions are focused on the prevention of counterfeit fraud, adulteration, smuggling, diversion and unauthorized distribution of materials. The solutions also proactively monitor brand and supply chain abuse in the market, and provide effective remediation for brand and distribution infringements.

"What sets Authentix apart is its proven ability to authenticate and track both products and their packaging," said Duncan Ritchie, V.P. of Global Strategy & Marketing, Authentix. "While the industry is awash with niche packaging technologies, many of which are unproven in commercial use, Biocode and Isotag have more than 17 years collective experience in delivering holistic solutions for brands and recovering value for clients. In completing this merger, we have created the world's foremost authentication company."

Authentix will be headquartered in Dallas, Texas, with additional facilities in Los Alamos, NM; Newark, NJ; Bethlehem, Pa; and York, UK. The company is expected to recover more than \$1.5 billion in lost revenues in 2003.

MHT Partners, L.P., a Dallas-based investment banking firm, advised Isotag on this transaction.

About Authentix

Authentix is the leading authentication solutions provider for brand protection and fiscal recovery, worldwide. Formed by the merger of Isotag and Biocode in 2003, Authentix combines more than 17 years of experience in providing comprehensive services and technology for the prevention of product counterfeiting, adulteration and diversion. In the last three years Authentix has recovered nearly \$3 billion in lost sales and tax revenues for clients. It is the market leader for authentication and tracking in the oil and gas industry, and is now poised to lead the pharmaceuticals, spirits, agrochemical and government security industries.

Within its portfolio, Authentix has an extensive range of patented technologies for on-package and in-product authentication, including regulatory approved markers for ingestible products, such as pharmaceuticals, foods and beverages. The range also includes both overt and covert security inks for field and laboratory authentication. The company has extensive experience in managing in-market testing programs for clients to ensure and maintain brand and distribution integrity for a total authentication service including; risk analysis, solutions design, program implementation and legal case management to ensure effective remediation.

Further information is available at <http://www.biocode.com/> and <http://www.isotag.com/> prior to the launch of the Authentix website in January 2004.

Web site: <http://www.isotag.com/http://www.biocode.com/>

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