

For immediate release:

AXCESS Publishes White Paper on Automatic IT Asset Management and Protection Using RFID

Unique Solution Protects Personal Privacy Information and Establishes Best Practices for Compliance with Mandated State and Federal Law Guidelines

DALLAS, TX, June 20, 2006 – AXCESS International Inc. (OTCBB: AXSI), a leading provider of Radio Frequency Identification (RFID) solutions and Real Time Location Systems (RTLS), today announced the release of a white paper which details successful implementations of its ActiveTag[™] long range, battery-powered RFID solution for economically and automatically managing and protecting IT assets. More importantly, the paper outlines the solution applicable to data centers, record departments and enterprise operations where computer assets must be accounted for and protected to be in compliance with Federal and State Laws, which require notification to individuals if personal privacy data may have been compromised. The white paper can be downloaded from the AXCESS web site at www.axcessinc.com or by calling Kelly Stark at AXCESS on 972-407-6080.

“The number of published incidents of computer asset theft and compromise has escalated recently, reflecting numerous recently enacted legal mandates to do so”, commented Allan Griebenow, President & CEO of AXCESS International Inc. “For many years these incidents existed and were seen growing, but studies also have indicated organizations were reluctant to notify affected individuals or authorities. Now, the notification is required even if damage will not occur. Our solution provides a management system, best practices and accountability so the losses are minimized and if they occur, the real damage can be understood and responded to accordingly. Our system prevents unnecessary notifications which can unnecessarily damage an institution’s image and reputation”.

Losses from the theft of proprietary data from corporations and other institutions more than doubled last year to a total of \$356,000 per incident. Ten percent of all companies, government agencies, and educational institutions suffered those losses. Eighty three million confidential records were lost or stolen last year. Over 10 million US citizens were affected by identity theft last year. Only 43 percent of organizations who experienced those losses reported them citing a fear of the potential impact on their institution’s stock price or image.

Regulations covering information security are now at both the State and Federal Level. The California Security Breach Information Act (CA SB 1386), is a typical example specifically addressing circumstances where residents are affected by an incident. The law mandates notification if personal information is compromised. Twenty-three states now have similar laws. Information compromise does not always mean loss to the individual. However, organizations are still required to notify each person and suffer the public embarrassment. At the Federal level, the Sarbanes-Oxley Act of 2002 is directed at public accounting firms and publicly traded companies and outlines proper internal control and audit procedures. Title VIII of the act makes it a felony for certain non-compliance.

The paper describes in detail the complete RFID system solution which addresses the needs of all institutions with IT assets holding valuable information, particularly enterprise, education, state and federal government, and the Department of Defense. Also discussed are the simple economics behind the reliable, low cost solution. Two customer case studies are provided in the paper. One outlines the complete ROI calculation for an IT data center. The second describes in detail a series of best practices

used by a financial services firm to secure the facility, protect the IT assets and storage media, and provide accountability for custodians with authorized access to the assets and private information.

The AXCESS system addresses the problem of preventing theft or loss of personal records by offering individual asset tracking and protection, dynamic wireless custodian assignments to assets, complete reports, and wireless alerting to exception-based security events. One key to the reliability of the solution is AXCESS' battery powered RFID tags which generate strong signals to enable metal encased computers to be identified even when hidden. When AXCESS RFID asset tags are placed on fixed desktops, servers, and storage devices as well as on mobile assets such as laptops, the tags are activated on-demand to transmit their ID at key control points such as doorways. Key to the system's accuracy is the localized tag activation field which uses the Company's new Dual Activator tag activation product which precisely identifies assets at specific points in and around the enterprise. The Dual Activator is unique within RFID technology in being able to determine with certainty whether an asset is in or out of a secured area, which delivers actionable intelligence through which a reliable security response can be determined and initiated.

The tags transmit to low cost network-based receivers which pass the tag IDs to the AXCESS software and database to record their location, who moved it, and whether their movement is authorized. Individual custodians such as computer administrators and authorized employees can also be tagged to provide an automatic, electronic custodial assignment for accountability and to freely move assets around the facility as needed without triggering an alarm. This process of Functional Linkage™ can be dynamically changed to further facilitate the movement of assets without adversely impacting productivity. Assets can also be regularly inventoried using beaconing transmissions. Alarms are automatically triggered if an asset leaves a controlled area without authorization. Doors can then be automatically locked, and typically wireless alerts are sent to security and responders to recover the asset before it leaves the premises.

More information on the system is available from the Company's web site at www.axcessinc.com or by calling Kelly Stark at 972-407-6080.

About AXCESS International Inc.

AXCESS International Inc. (OTCBB:AXSI), headquartered in greater Dallas, TX, provides Active and Semi-Active RFID (radio frequency identification) and Real Time Location Systems (RTLS) for asset management, physical security and supply chain efficiencies. The battery-powered (active) RFID tags locate, identify, track, monitor, count, and protect people, assets, inventory, and vehicles. AXCESS' RFID solutions are supported by its integrated network-based, streaming digital video (or IPTV) technology. Both patented technologies enable applications including: automatic "hands-free" personnel access control, automatic vehicle access control and logistics management, automatic asset management, and sensor management. AXCESS is a portfolio company of Amphion Innovations plc.

Media Contact – AXCESS
Kelly Stark
972-407-6080
kstark@axsi.com

Investor Relations – Darrow Associates
Jordan Darrow
631-367-1866
jdarrow@optonline.net

Public Relations – Financial Dynamics
Lauren Stein
212-850-5650
lstein@fd-us.com

<p>This release contains forward-looking statements as defined in Section 21E of the Securities Exchange Act of 1934, including statements about future business operations, financial performance and market conditions. Such forward-looking statements involve risks and uncertainties inherent in business forecasts.</p>

Source: AXCESS International, Inc.