

Verdasys Announces Appointment of New Corporate President

Waltham, MA – August 3, 2006 - Verdasys, Inc., the leader in Global Data Security Solutions, announced today the appointment of Nicholas Stamos to the position of Corporate President. In this new role, Stamos will now oversee the company's product development, marketing, quality assurance and customer services functions. Stamos, one of the original founders of Verdasys, previously served as Vice President, Products and Services.

"Nick has created a truly brilliant and comprehensive product vision for the company and has assembled a world-class technology team to both build and deliver it successfully to the marketplace," said Seth Birnbaum, CEO of Verdasys. "His continued focus on meeting customer needs and his new direct responsibilities for our commercial operations will be key in driving strategic business for the company as we continue our rapid growth," he added.

Over the past seventeen years, Stamos has built a successful track record developing and delivering enterprise applications to large multi-national companies. Prior to joining Verdasys, Stamos served as chief technology officer of Phase Forward, the leading provider of integrated data management solutions for the clinical trials market. He helped the company develop innovative products and grow revenue to more than \$100 million in just five years. Stamos is a contributor to eleven U.S. patents in computer systems design. He holds both BSEE and MSEE degrees from Tufts University.

About Verdasys, Inc.

Verdasys is leading the industry in providing *global data security solutions* based on innovative "point of use" technologies. Our Digital Guardian platform is in use by government agencies, and by leaders in financial, pharmaceutical, insurance, healthcare, manufacturing, entertainment, and other industries around the world. Verdasys customers use Digital Guardian to complement their existing security technologies in order to comprehensively protect data wherever it's used. www.verdasys.com

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