

## **FOR IMMEDIATE RELEASE**

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### **VirnetX and ipCapital Group Announce Strategic Alliance**

**SCOTTS VALLEY, Calif. – March 19, 2008** – VirnetX Holding Corporation, (AMEX: VHC), a leader in secure real-time communications and collaborations technology, today announced that it has entered into a strategic alliance with ipCapital Group, Inc., one of the nation's leading intellectual property (IP) strategy consulting and licensing firms. By combining VirnetX's business solutions for secure real-time communications with ipCapital Group's IP management expertise, the alliance is expected to accelerate the licensing of VirnetX's extensive patent portfolio.

"We believe this strategic alliance will compliment VirnetX's licensing business and will result in a strong revenue stream which we plan to apply to our ongoing R&D efforts," said Kendall Larsen, president and CEO of VirnetX. "With more than 10 years of experience and an exemplary track record in the IP brokerage industry, we are confident that we have found an excellent partner in ipCapital Group that will provide a sustainable competitive advantage for VirnetX."

Under the agreement, ipCapital Group will assist VirnetX in strategic planning, development, assessment and implementation of VirnetX's IP licensing program. ipCapital Group will identify licensing partners that can truly benefit from VirnetX's unique virtual private network and encryption technology. It will seek to establish mutually beneficial agreements to transfer the VirnetX technology.

"In a business environment that thrives on open innovation, we see many companies across many industries greatly benefiting from taking advantage of the business opportunity created by VirnetX's patented technology," said John Cronin, managing director and chairman of ipCapital Group. "We believe VirnetX's current and future technology advancements and IP assets will be applicable across multiple market segments. Its technologies will significantly benefit companies that need to automatically secure private data and shared content across networks."

VirnetX's agreement with ipCapital Group is focused on creating valuable business opportunities with early licensees. The licensing business will then become an internal VirnetX operation. Additional technology advancements and patents stemming from VirnetX's ongoing R&D efforts are expected to be added to the portfolio, further broadening and deepening VirnetX's licensing offerings.

**About VirnetX**

VirnetX Holding Corporation, a leader in secure real-time communications and collaboration technology, is engaged in commercializing its patent portfolio by developing a licensing program, as well as developing software products designed to create a secure environment for real-time communications such as instant messaging and Voice over Internet Protocol. For more information, visit [www.virnetx.com](http://www.virnetx.com).

**About ipCapital Group**

Since 1998, ipCapital Group (ipCG) has delivered over 450 successful IP engagements to companies in a wide range of industries. Its professional services maximize financial results for clients that seek to develop and execute intellectual property (IP) strategies, strengthen and monetize IP portfolios, and establish and implement Intellectual Asset Management (IAM) practices. ipCG has an interdisciplinary team trained in business, law, marketing, and product development that provides a systematic and comprehensive view of the full lifecycle of IP, from creation to monetization to retirement. For more information, visit [www.ipcg.com](http://www.ipcg.com).

**Safe Harbor Agreement**

Statements in this press release that are not statements of historical or current fact constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other unknown factors that could cause the actual results of VirnetX to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. The forward-looking statements contained herein include, without limitation, statements relating to VirnetX's expected results from partnering with ipCapital Group, as well as its anticipated licensing revenues associated with its licensing program under development. In addition to statements which explicitly describe such risks and uncertainties, readers are urged to consider statements labeled with the terms "believes," "belief," "expects," "intends," "anticipates," "will," or "plans" to be uncertain and forward-looking. The forward-looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in VirnetX's reports and registration statements filed with the Securities and Exchange Commission.

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