



PRESS RELEASE

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ION NETWORKS Names Norman Corn Chief Executive Officer

South Plainfield, N.J. August 19, 2003--ION Networks Inc. (OTC: [IONN](#)), a provider of security and management solutions that protect critical infrastructure from internal and external security threats, today announced that the Board of Directors has appointed Norman E. Corn, 57, as its new Chief Executive Officer, effective immediately. Mr. Corn, who has spent the majority of the last 15 years leading companies in turnaround situations, brings the company over 35 years of broad operational experience in software, hardware and telecommunications companies.

From 2000 until recently, Mr. Corn was Executive Vice President of Liquent, Inc., a Pennsylvania-based software company that provides electronic publishing solutions, focused on the life sciences industry. Liquent is the largest supplier of electronic publishing to the pharmaceutical industry worldwide. In addition to managing all sales and services domestically, Mr. Corn led Liquent's European operation.

"I am pleased to join ION Networks and look forward to working with our customers and partners to solidify our position in the network security arena. It has been a very difficult time for our industry in general and ION specifically. However, recent industry indicators, the quality of ION's products and the dedication and talent of ION's personnel encourage me. Our loyal customers who understand the value of our solutions provide a foundation upon which we can build. While we have far to travel, we will take one step at a time toward achieving positive results for our customers, ourselves, and of course, our shareholders."

"Norm is a veteran industry executive with a successful track record in both Fortune 100 and entrepreneurial ventures. He has a keen understanding of the discipline, strategy, analysis and focus required to turn around a struggling enterprise and to grow a business profitably," said Stephen M. Deixler, ION's Chairman of the Board of Directors. "We are extremely pleased Mr. Corn has accepted this position since he brings drive, energy, tough-minded decision making and a strong client focus to place ION on the right track."

"There have also been a number of significant accomplishments at ION recently that, combined with Norm's leadership, will put our company in the best possible position to succeed," said Deixler. "Over the past few months, ION has reduced its operating costs by ny-523999

nearly 55% from the prior year. We have moved our headquarters into smaller and more appropriate facilities in South Plainfield, NJ, significantly reducing our expenses even further.”

Mr. Corn has also served from 1994 to 2000 as CEO of TCG Software, Inc., an offshore software services organization providing custom development to large corporate enterprises in the US. While with TCG, Mr. Corn was the driving force behind the formation and operations of a joint venture with United Airlines named SkyTech Software Services. He also served on the board of the joint venture.

Mr. Corn has led other companies, including Axiom Systems Group, The Cobre Group, Inc., The Office Works, Inc. and Longview Results, Inc., having spent the early part of his career in sales, marketing and executive positions in AT&T and IBM. He holds a BS degree from Rensselaer Polytechnic Institute.

ION Networks’ new headquarters are located at 120 Corporate Boulevard, Suite A, South Plainfield, New Jersey 07080.

About ION Networks

ION Networks, Inc. is a provider of security and management solutions that protect critical information and infrastructure from internal and external security threats. The ION Secure suite helps customers protect critical infrastructure and maximize operational efficiency while lowering operational costs. ION Networks’ customers include AT&T, Bank of America, British Telecom, Citigroup, Entergy, Fortis Bank, Oracle, Sprint and the U.S. Government. Headquartered in South Plainfield, New Jersey, the Company has installed tens of thousands of its products worldwide.

More information can be obtained from www.ion-networks.com.

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Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Any forward-looking statements contained herein are based on current expectations, but are subject to a number of risks and uncertainties. These statements include, but are not limited to, statements regarding the Company’s plans to produce positive results for its shareholders. The factors that could cause actual future results to differ materially from the forward-looking statements include the following: fluctuations in customer demand; the difficulty of reducing costs when many are fixed or otherwise not easily reduced even if demand for the Company’s products is reduced; fluctuations in spending on technology generally and security solutions in particular; insufficiency of operating capital; general economic conditions (both domestic and abroad); the rapid technological change which characterizes the Company's markets; the risks associated with competition; the risks associated with the expansion of the Company's sales channels; the risk of new product introductions and customer acceptance of new products; the difficulty of attracting investments and strategic opportunities to a company in a competitive industry and in financial distress; and the ability of the Company to compete successfully in the future, as well as other risks identified in the Company's Securities and Exchange Commission Filings, including but not limited to those appearing within the Company's most recent Form 10-KSB and amendments thereto, and form 10-QSB, respectively filed with the Securities and Exchange Commission on May 15, 2003.