

PRESS RELEASE



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Ion Networks Receives Purchase Order From General Dynamics

South Plainfield, N.J. November 10, 2004 – ION Networks, Inc. (OTC:IONN.OB) – a provider of network security solutions to control, monitor and manage external and internal administrative access, announced today that it has been awarded a contract to provide a Secure Access Solution to a number of United States Marine Corps (USMC) bases supporting the General Dynamics Network Systems Long Term Life Cycle Support (LTLCS) contract.

This award is the first Government contract for ION after being placed on the Department of Defense (DoD) Approved Products List. The ION solution will be implemented at over 30 USMC locations worldwide. The ION solution is being utilized to meet DoD Field Security Operations (FSO) requirements for strong authentication and encryption and to manage secure access to devices on the Defense Switched Network (DSN) such as voice switches and peripherals.

“We are extremely pleased to have received this award,” stated Norman Corn, ION Networks CEO. “The new DoD security standards have significantly increased our opportunities in the Federal Government sector, positioning ION for further growth as we meet the requirements for secure network access.”

Deployment of the ION solution is expected to begin later this year.

About ION Networks

Since 1984, ION Networks has delivered proven security solutions for enterprises, service providers and government agencies. With more than 50,000 devices deployed worldwide, ION solves a fundamental secure access problem for some of the world’s largest companies including Avaya, AT&T, American Express, MCI, Intel, Wachovia, Citigroup and Cogent. More information can be obtained from www.ion-networks.com.

This press release contains forward-looking statements that involve a number of risks and uncertainties. Forward-looking statements may be identified by the use of forward-looking terminology such as "may," "will," "expect," "believe," "estimate," "anticipate," "continue," or similar terms, variations of those terms or the negative of those terms. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are set forth in the Company's filings with the Securities and Exchange Commission (SEC), including the Company's Annual Report on Form 10-KSB, the Company's Quarterly Reports on Forms 10-QSB, and other filings and releases. These include uncertainties relating to technological changes, product development, competition, protection of our intellectual property, our working capital balance and our reliance on several key customers and members of our management.