



FOR IMMEDIATE RELEASE

ipCapital Group Completes VirnetX IP Licensing Evaluation

*In-depth Research Concludes Multi-billion-dollar Market Opportunities
In IP Telephony, Mobility, Fixed-mobile Convergence and Unified Communications*

SCOTTS VALLEY, Calif. and Williston, Vt. – May 14, 2008 – VirnetX Holding Corporation (AMEX: VHC), a leader in secure real-time communications and collaborations technology, and ipCapital Group, one of the nation’s leading intellectual property (IP) strategy consulting and licensing firms, today jointly announced the results of ipCapital Group’s evaluation of VirnetX’s business model, product, technology and patent portfolio. The goal of the evaluation was to determine the potential commercialization value range to potential licensing partners in IP telephony, mobility, fixed-mobile convergence and unified communications markets. By combining VirnetX’s business solutions for secure real-time communications with ipCapital Group’s IP management expertise, the completion of the evaluation is an important milestone, signaling the launch of VirnetX’s licensing program.

In preparing this evaluation, ipCapital Group set out to explore the complete business landscape of VirnetX. The research demonstrated VirnetX’s position in the secure real-time communications space related to multiple connections of devices, operating systems, applications and data, using its unique domain name registry business model, and resulted in ipCapital Group gaining an understanding of the primary market drivers. ipCapital Group then conducted an examination of the patents and applications in VirnetX’s business landscape. This work was used as a means to understand which companies might be potential partners and what value VirnetX might bring to these potential partners. With the completion of this evaluation, ipCapital is now prepared to discuss commercialization opportunities.

“ipCapital Group’s evaluation of VirnetX’s patent portfolio highlights the magnitude of these technologies on the industry and how it creates new business opportunities,” said John Cronin, managing director and chairman of ipCapital Group. “We believe that we are on a clear path to creating commercialization partnerships and VirnetX’s technology is ready to meet evolving customer communications needs across multiple market segments.”

Based on ipCapital Group’s proprietary ipValue Model, the estimated potential commercialization value range of VirnetX’s business model, product, technology and patent portfolio indicates a multi-billion-dollar market opportunity. ipCapital Group’s financial modeling process brings together critical market and business drivers with a unique IP perspective. This assessment is imperative in understanding the key value drivers of VirnetX’s technology and is used to determine a fair price for commercialization.

“VirnetX is in a unique position to help enhance real-time communications security and make its rich business model, product, technology and patent portfolio readily available to a broader customer base,” said Jeff Wilson, principal analyst for network security at Infonetics Research. “The ipCapital and VirnetX partnership removes barriers to adoption and validates the need for secure communications.”

“ipCapital Group’s evaluation greatly extends our ability to commercialize our intellectual property portfolio,” said Kendall Larsen, president and CEO of VirnetX. “Communications vendors throughout the industry are going to benefit from this technology, and this evaluation further demonstrates the technical depth and breadth of the company’s IP portfolio.”

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About VirnetX

VirnetX Holding Corporation, a secure real-time communications and collaboration technology company, 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.

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.

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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