

# EQUITIES

## ON THE MOVE CORPORATE PROFILES

### ENXNET, INC.

**OTC:BB:EXNT**

**WKN:AOHMDW** (Frankfurt Exchange)

ENXNET, INC.

11333 E Pine Street, Tulsa, OK 74116

Contact: Ryan Corley, Phone: 918-592-0015 • Fax: 918-592-0016

investor@enxnet.com

#### CORPORATE OVERVIEW

Founded in 1999, EnXnet, Inc. ("EnXnet") is rapidly emerging as a leading edge provider of next generation digital technologies and products. EnXnet has developed a compelling pipeline of proprietary products, and technologies, which address multi-billion dollar markets. It has recently initiated the market launch of several of its ground-breaking products and technologies, with others expected to be introduced throughout the balance of 2006 and into early 2007.

#### MARKET POTENTIAL

Several sources have conservatively valued the digital media industry at \$3 trillion in annual product and service revenues. The Digital Media Industry encompasses a broad, multi-layered variety of products and services that cuts across the panorama of our lives, impacting both manner in which we conduct business and the products that we use on a daily basis. EnXnet is targeting this broad market as well as the rapidly increasing Stored Value Card segment. It is estimated that more than \$72 billion in stored value transactions will be completed during 2006, as compared with \$42 billion in 2003, representing robust industry growth of more than 70% in just three years.

#### ThinDisc™

ThinDisc™ is a patent pending product developed by EnXnet that is 33% thinner than any standard CD or DVD currently on the market today, and can be read by any standard DVD player along with virtually all computers.

Marketed under the name MoxyCard™, EnXnet has incorporated its revolutionary ThinDisc™ technology to create the first interactive Stored Value Card on the market.

Currently there are as many as 20,000 stored value programs being marketed, of which approximately 7,000 carry the Mastercard™ or Visa™ logo. They all have one thing in common.... They are all alike.... None are unique.

EnXnet is ready to change all that. ThinDisc™ transforms the 'stagnant' stored value card into a unique and customized interactive, multi-media marketing tool. ThinDisc™ is the only product that can achieve this, by adding a proprietary CD/DVD layer to a traditional, magnetic strip style 'swipe card, can contain as much as ten (10) minutes of quality audio and video on the DVD Gift Card, enabling the merchant, shopping mall, etc. to market their products by adding customized marketing and product information, exclusive card-only promotions and other marketing information. The customer can insert the card into any standard CD or DVD device to print out product coupons or go online to make purchases, linking the Internet with "Bricks and Mortar" retailing. Customers like the convenience and safety of using them, as opposed to cash and particularly as gifts.

#### MARKETING/MANUFACTURING ALLIANCES

EnXnet, Inc. has established valuable marketing alliances with One28 Marketing Group, who is currently introducing MoxyCard™ to the stored value card industry. One28 owns the MoxyCard™ and has licensed the rights

to use ThinDisc™ as well as compensate EnXnet in the form of a royalty, based on unit sales of the card. The reception for this product has exceeded expectations. Significant contracts are expected to be announced shortly. The Company has also licensed the use of ThinDisc™ to Interactive Affinities, Inc., which granted EnXnet a 7% equity interest in their company, along with royalty expectations for their rights to use the technology. Other marketing alliances include Corporate Disk, OneDisc Distribution Co., of which EnXnet owns an 8% equity interest of, Castaway Records (EnXnet holds a 8% equity interest) and InnerSoul Records, division of Castaway Records. EnXnet is currently pursuing additional strategic and marketing alliances, a number of which are currently in discussion.

EnXnet's manufacturing alliances include Corporate Disk which manufactures the OneDisc™ and Optical Disc Service and Microservice Technologa Digital, SA., which produce gift cards and stored value products, including the MoxyCard™ and SurfCard™. Together, EnXnet's manufacturing partners have the capacity to produce 3.2 million of these products per day. The Company is currently in discussion with other product manufacturers.

#### OneDisc™/DVD Plus(c)

EnXnet has acquired the exclusive license to commercialize and market a unique product, marketed EnXnet under the trade name OneDisc™/DVDplus(c). As a dual sided CD/DVD, OneDisc™/DVDplus(c) enables one side to contain DVD quality video, while the other side can contain quality audio content. OneDisc™/DVDplus(c) is one of the only two products currently available on the market that can accomplish this. What distinctly sets OneDisc™/DVDplus(c) apart is its safety in preventing potential damage to the optical devices that read the content and transmit it either in the

form of video or media, which is achieved because of its thinner design.

## SECURITY ANTI-THEFT TECHNOLOGIES

Nearly \$30 million dollars per day is lost across North America due to shoplifting and employee theft. This translated to more than \$10 billion lost as a result of product theft in 2004. This is a problem that affects not only retailers, since the costs related to theft are directly transferred to consumers and are reflected in the price paid for goods and services.

EnXnet has developed a suite of proprietary technologies that significantly enhances the usability, effectiveness and accuracy of both AM and RFID based surveillance tagging devices, while resolving the problems and limitations associated with each technology.

### ■ EAMTag

A non-detectable Electronic AM (Acousto-Magnetic) Tag is a patent pending security device which can be embedded into the product during its manufacture and allows the tagging of valuable products previously difficult or impossible to tag.

### ■ HyTag

HyTag is a patent pending tag that combines the benefits of both the Acousto-Magnetic (AM) and Radio Frequency Identification Device (RFID) in a single product. It is designed to be placed on or embedded within consumer products.

### ■ EnXcase™

The EnXcase™ was created specifically for use in retail outlets in conjunction with OneDisc™/DVDPlus© hybrid optical disc to help reduce in-store theft. The EnXcase™ was designed to make the enclosed disc visible at all times. A patent application covering the EnXcase™ has been filed and is currently pending.

### ■ DStag™

DStag™ (Disc Security Tag) is a proprietary, patent pending device which utilizes EAS (Electronic Article Surveillance) tag technology that is embedded into the hub ring of a CD or DVD during the injection molding phase of the manufacturing process, making them irremovable from the product without resulting in damage to the product.

### ■ aRFID

The aRFID is a patent pending Electronic Radio Frequency Identification Device that is activated by electro-magnetic pulse or electro-magnetic radiation. RFID security tags can be externally programmed enabling the retailer to track inventory.

### ■ RFID Deactivation Device

The RFID Deactivation Device is a patent pending technology that resolves the major problem of personal privacy that often arises with the use of RFID tagging of consumer products. Current RFID tags remain readable until physically destroyed, thus allowing the tracking of one's purchases beyond the store or retail outlet and into the home, which is considered by many groups as representing an invasion of personal privacy. The RFID Deactivation Device permanently disables the RFID tag at the point of sale, thus effectively alleviating all privacy concerns.

## RECENT DEVELOPMENTS

EnXnet recently announced that it has entered into an agreement with BAHF, LLC and that a new entity would be established for the purpose of developing proprietary medical products, products with the goal of improving patient safety and reducing mortality and morbidity. These medical products will be based on intellectual properties contributed by both EnXnet and BAHF. EnXnet will retain a 25% equity interest

in the new venture, while BAHF will fund all development and other costs related to the new company.

## MANAGEMENT

### **Ryan Corley, President, CEO, and Director**

As a co-founder of Enxnet, Ryan Corley is the vision behind EnXnet. Mr. Corley has more than 25 years of entrepreneurial experience, during which time he founded several highly successful privately held and public companies. As the founder of U.S. Technologies, Mr. Corley led the company from 1988 through 1992, during which time it grew from 5 to over 300 employees and achieved a listing on NASDAQ.

### **Mark Pempsell, Director of Marketing & Engineering**

Mark Pempsell is a highly experienced technology professional with senior managerial experience in the development, patenting and marketing of consumer and medical technology products.

This publication is not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or trade in any commodities or securities herein named. Equities Magazine and its employees are not, nor do they claim to be registered investment advisors or broker/dealers. This magazine contains forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934 relating to companies' future operating results that are subject to certain risks that could cause results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements. This publication undertakes no obligation to update these forward-looking statements. Equities Magazine, its owners, employees, their families and associates may have investments in companies featured within this publication, and may elect to sell these investments or purchase additional investments in these companies at any time. However, the policy for our editorial staff is to avoid any pre-publication trading of featured stocks or sales until ten days after the magazine is mailed. In order to be in full compliance with the Securities Act of 1933, Section 17(b), where the publisher has received payment for the advertisement of a security, the amount and type of consideration will be fully disclosed. Equities Magazine was paid \$6,000 by EnXnet, Inc. to write and print this profile in this issue. All information about EnXnet, Inc. contained within an advertisement has been furnished by EnXnet, Inc., and the publisher has not made any independent verification of any such information and makes no implied or express warranties on the information provided. Readers should perform their own due diligence before investing in any securities mentioned. Investing in securities is speculative and carries a high degree of risk.