

PRESS RELEASE – December 11, 2002

For immediate release

General Agreement on Delivery of my-D Vicinity Chips and Collaboration Between ExypnoTech and Holz-Elektronik

December 11 2002, Rudolstadt – Hohenbrunn/Munich, Germany: The technology company ExypnoTech GmbH (www.exypnotech.com), a subsidiary of NanoPierce Technologies, Inc., of Denver, Colorado, USA, (OTC:BB:NPCT) today announced that it has signed a general agreement with Holz-Elektronik GmbH (www.holz-elektronik.de) involving extensive collaboration in the area of RFID technology. This agreement will take advantage of synergies in both firms in order to supply card manufacturers and system integrators with RFID technologies and products. As a result, optimum support will be provided to customers with RFID projects by both companies.

Holz-Elektronik, headquartered in Kirchheim near Munich, is a specialty distributor of electronics components made by well-known manufacturers. Since assuming the distribution of Infineon AG's product line for smart cards and security chips in 2001, Holz-Elektronik has expanded its product line for customers in the smart card and RFID industries. With a market share of 51% (according to Frost & Sullivan) Infineon is the undisputed leader in these markets.

Also in conjunction with this collaboration, a general agreement was signed whereby Holz-Elektronik will supply ExypnoTech with Infineon RFID my-d chips. Initial quantities of ExypnoTech my-d smart inlays will be delivered yet this year to system integrators for very promising, high-volume pilot projects in the international RFID market.

The my-d RFID chip family (ISO15693) from Infineon has set new standards for the RFID market. Two chip types, with memory capacities of 2 kbit and 10 kbit respectively, are being offered for low-cost RFID applications, such as item identification and ticketing. Alternatively, versions of each of these chip types can be equipped with a special security mode (available as of the 1st quarter of 2003). These products in particular are generating great interest among ExypnoTech's customers, many of whom are working with very complicated, security-sensitive applications.

In its production of smart inlays, ExypnoTech uses a process based on a NanoPierce Technologies, Inc., patent which offers considerable competitive advantages in terms of both price and quality. This process has been installed on production equipment made by F&K Delvotec for ExypnoTech GmbH. On November 26, 2002 a presentation about this process was made by ExypnoTech GmbH to an expert audience in Munich under the auspices of an international workshop hosted by the Fraunhofer Society (Technology and Production Processes for Flexible Electronic Systems).

HOLZ-Elektronik GmbH

Founded by Siegfried and Frank Holz in Munich in 1992, Holz-Elektronik is a specialty distributor for well-known manufacturers of electronics components. Among the companies represented by the firm are Osram, Epcos, Infineon, Tyco Electronics and Fischer Elektronik. A network of offices throughout Germany, Austria and Switzerland is



managed from the firm's headquarters just outside Munich in Kirchheim, Germany. In 2001 Holz-Elektronik joined forces with Distar to form Disway AG.

EXYPNOTECH GmbH

ExypnoTech GmbH is a wholly-owned subsidiary of NanoPierce Technologies, Inc. of Denver, Colorado, USA, and is headquartered in Rudolstadt, Germany. ExypnoTech develops, produces and markets components for the RFID market worldwide. In its production of smart inlays, the Company employs flip chip processes based on NanoPierce Technologies patents. For further information on ExypnoTech, log on to www.exypnotech.com.

NANOPIERCE TECHNOLOGIES, INC.

NanoPierce Technologies Inc., is traded on the NASDAQ stock market (OTC:BB:NPCT) as well as on the Frankfurt and Hamburg exchanges (OTC:NPI). In addition to the 12 patents it owns, NanoPierce has numerous applications pending, others in preparation, and various other intellectual properties related to NanoPierce's proprietary NCS™ (NanoPierce Connection System). This advanced system is designed to provide significant improvement over conventional electrical and mechanical interconnection methods for high-density circuit boards, components, sockets, connectors, semiconductor packaging and electronic systems.

For more information regarding NanoPierce Technologies, Inc., visit the Company's website: www.nanopierce.com.

This announcement contains forward-looking statements about NanoPierce Technologies, Inc., and its subsidiaries, that may involve risks and uncertainties. Important factors relating to the Company's operations could cause actual results to differ materially from those in forward-looking statements and are further detailed in filings with the Securities and Exchange Commission (SEC) available at the SEC's website (<http://www.sec.gov>). All forward-looking statements are based on information available to NanoPierce Technologies, Inc., on the date hereof, and NanoPierce Technologies, Inc., assumes no obligation to update such statements.

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