

FOR: IMMEDIATE RELEASE

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**PARAGON TECHNOLOGIES' SI SYSTEMS BRAND LANDS \$1.6 MILLION
IN SYSTEM EXPANSION CONTRACTS FROM A LEADING
SUPPLIER OF AUTOMATED PRESCRIPTION FULFILLMENT SYSTEMS**

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EASTON, PA — October 4, 2007 -- Paragon Technologies, Inc. (AMEX:PTG), a leading supplier of “smart” material handling systems and “software-driven” warehouse and distribution center solutions, announced today that its SI Systems’ brand received two contracts, with a combined value of approximately \$1.6 million, to improve and expand existing automated order fulfillment systems originally installed by the Company for high volume pharmacy applications at two different sites. The customer is a leading supplier of automated prescription fulfillment systems that employs advanced engineering and proven technology to create highly accurate and efficient pharmacy systems. Terms of the contracts were not disclosed.

Len Yurkovic, Acting CEO of Paragon Technologies, states, “These orders are continued evidence of the quality and productivity that our order fulfillment systems provide in the healthcare marketplace. We are pleased that this long-standing customer trusts us to provide this

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advanced material handling automation, and we are committed to a successful implementation of these order fulfillment system expansions.”

About Paragon Technologies

Paragon Technologies is a leader in integrating material handling systems and creating automated solutions for material flow applications. SI Systems’ branded technologies and material handling solutions address unit assembly in manufacturing operations and order fulfillment applications. One of the top material handling systems suppliers worldwide, SI Systems leading clients have included the United States Postal Service, BMG, Peterbilt, Honda, and Maybelline.

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This press release and prior releases are available at www.ptgamex.com.