



Polimatrix Awarded Major State of Illinois Portable Radiation Detector Procurement

ARLINGTON, Va. – November 7, 2007 -- Polimatrix, Inc., a solutions provider and systems integrator of radiation & nuclear detection and identification systems and majority owned by Homeland Security Capital Corp. (OTC Bulletin Board: [HMSC](#)), a company focused on acquiring, developing and consolidating homeland security-related businesses announced a major award by the Illinois Law Enforcement Alarm System (ILEAS).

On November 1, 2007, Polimatrix was awarded a state-wide law enforcement and first responder procurement that may be the largest such award in the United States. The award, which is subject to final contract negotiations, would put 20,000 portable radiation detectors model PM1703MO-1 throughout the state of Illinois over a four-year planning cycle. The award follows a year-long process that included an industry-wide competition with detailed technical and field testing including analysis by the Argonne National Laboratory.

James R. Page, ILEAS executive director, said, “We are pleased to make this award to Polimatrix, Inc. after a long and arduous technical review process involving several well qualified companies. We look forward to working with Polimatrix on this ground breaking project over the coming years.”

C. Thomas McMillen, Homeland Security Capital chairman and CEO, said, “Homeland Security Capital Corp. and Polimatrix are pleased to be partners with the state of Illinois and the larger law enforcement and first responder communities around the country in our defense against this most malicious and difficult threat.”

A. Martin Erim, Polimatrix, Inc. CEO, said, “We are gratified to see our products rated as best-in-breed by top experts through the thorough analysis associated with this procurement.”

About Polimatrix, Inc.

Polimatrix, Inc. is a system integrator and total solutions provider delivering radiation and nuclear protection and detection. The company has been operating since September 2006 as a majority owned subsidiary of Homeland Security Capital Corporation. For more information, visit <http://www.polimatrix.com>.

About Homeland Security Capital Corp.

Homeland Security Capital is a consolidator in the fragmented homeland security industry. The company is focused on creating long-term value by taking controlling interest and developing its subsidiary companies through superior operations and management. The company is headed by former Congressman C. Thomas McMillen, who served three consecutive terms in the U.S. House of Representatives from the 4th Congressional District of Maryland. Homeland Security Capital intends to operate businesses that provide homeland security products and services solutions, growing organically and by acquisitions. The company is targeting emerging companies that are generating revenues but face challenges in scaling their businesses to capitalize on homeland security opportunities. The company will enhance the operations of these companies by helping them generate new business, grow revenues and improve cash flows. For more information, visit <http://www.hscapcorp.com>.

An investment profile about Homeland Security Capital may be found at <http://www.hawkassociates.com/hmscprofile.aspx>.

An online investor kit including press releases, current price quotes, stock charts and other valuable information for investors may be found at <http://www.hawkassociates.com> and <http://www.americanmicrocaps.com>. To receive notification of future releases in e-mail alerts, sign up at <http://www.hawkassocaites.com/email.aspx>.

Forward-looking statement: This release includes certain statements that may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements in this release, other than statements of historical facts, that address future activities, performance, events or developments, are forward-looking statements. Although Homeland Security Capital Corp. believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, and actual results or developments may differ materially from those in the forward-looking statements.