

FOR: PARAGON TECHNOLOGIES, INC.

CONTACTS: Len Yurkovic, Acting CEO
610-252-3205
610-252-3102 (Fax)
www.ptgamex.com

**PARAGON TECHNOLOGIES' SI SYSTEMS BRAND AWARDED A \$900,000
CONTRACT FOR AN AUTOMATED ASSEMBLY CONVEYOR SYSTEM**

EASTON, PA — February 20, 2008 -- Paragon Technologies, Inc. (AMEX:PTG), a leading supplier of “smart” material handling assembly conveyor systems and “software-driven” warehouse and distributions systems announced today that its SI Systems brand secured a \$900,000 order to design, build, and install an automated conveyor system for a global manufacturer of recreational vehicles. This system is the third such system purchased from SI Systems by this particular customer and will be installed at an undisclosed European country location. Terms of the contract were not disclosed.

The system design will incorporate ergonomically designed carriers that lift, lower, and rotate fixtured vehicle frames during the assembly process, and will reduce worker fatigue and increase manufacturing productivity. The system will be installed in a new factory currently under construction and will significantly boost manufacturing capacity for this particular customer’s European markets.

[MORE]

Len Yurkovic, Acting CEO of Paragon Technologies, said, “We are delighted that this repeat customer has chosen SI Systems for their third such system. Their positive experience with the first two systems, combined with their confidence in our conveyor technology and the Company’s ability to provide state-of-the-art assembly conveyor solutions is a testimony to the Company.” Yurkovic also said, “As demand for this particular customer’s product continues to grow, lifting production capacity requirements, our conveyor technologies are positioned to become integral to their ability to achieve their expanding production requirements.”

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.

* * *

Cautionary Statement. *Certain statements contained herein are not based on historical fact and are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and the Securities and Exchange Commission rules, regulations and releases. Paragon intends that such forward-looking statements be subject to the safe harbors created hereby. Among other things, the forward-looking statements regard Paragon’s earnings, liquidity, financial condition, review of strategic alternatives, and other matters. Words or phrases denoting the anticipated results of future events, such as “anticipate,” “does not anticipate,” “should help to,” “believe,” “estimate,” “is positioned,” “expects,” “may,” “will,” “is expected,” “should,” “continue,” and similar expressions that denote uncertainty, are intended to identify such forward-looking statements. Paragon’s actual results, performance, or achievements could differ materially from the results expressed in, or implied by, such “forward-looking statements:” (1) as a result of factors over which Paragon has no control, including the strength of domestic and foreign economies, sales growth, competition, and certain cost increases; and (2) if the factors on which Paragon’s conclusions are based do not conform to its expectations. The forward-looking statements contained in this press release may become outdated over time. Paragon does not assume any responsibility for updating any forward-looking statements. Furthermore, achievement of the objectives of the Company is subject to certain risks, including, but not limited to, those risks outlined in Paragon’s filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2006 and the most recent quarterly report on Form 10-Q for the quarter ended September 30, 2007.*

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