

News Release

Group IV Semiconductor Secures New Funding to Accelerate Development of Energy-Efficient Solid State Lighting

Garage Canada leads; strategic investment by Applied Ventures; additional funding by Khosla Ventures, BDC Venture Capital

OTTAWA, August 1, 2007 – Group IV Semiconductor, Inc., a developer of energy-efficient, solid-state lighting technology, today announced that it received a substantial new round of investment led by Garage Technology Ventures Canada with Applied Ventures, LLC, a subsidiary of Applied Materials Inc., and with existing investors including Khosla Ventures and BDC Venture Capital. These investments will further expand Group IV's aggressive program to use its revolutionary silicon-based nanofilm technology to dramatically reduce the cost of solid-state lighting and enable its widespread global adoption.

"The race is on to create energy-efficient lighting alternatives as awareness grows of the enormous waste of energy caused by conventional technologies," said Stephen Naor, CEO of Group IV. "Our vision is to create silicon-based light engines - many times more efficient than conventional bulbs and much more economical than today's LED alternatives - to provide the world with a brighter, more sustainable future. We are delighted that Garage Canada, Applied Ventures and our existing investors share this vision and recognize this unique opportunity to transform a \$12 billion market."

Group IV will also collaborate with Applied Materials to develop a low cost manufacturing process that will enable Group IV to accelerate its technology towards product commercialization and production.

Group IV's solid-state light engines use a single-chip, AC-powered, silicon-based process that can deliver dramatic cost savings relative to conventional LED technologies. Since production cost is generally considered to be the last remaining hurdle for mass adoption of solid-state lighting, Group IV projects that its unique materials system will provide a crucial competitive advantage in creating high efficiency, long-life lighting products that outperform incandescent, compact fluorescent and fluorescent lighting.

"We consider Group IV to be one of the most exciting new technology companies in Canada," said Tom Sweeney, Managing Director and General Partner of Garage Technology Ventures Canada. "It fits our model of identifying true innovation that has the clear potential to materially impact or redefine existing or emerging markets. The team at

Group IV has impressed us and our colleagues in Silicon Valley. With the added benefit of Applied Materials on the team, we are clearly on a path to substantial value creation and energy-efficient, mercury-free, customer choices in the fast-growing solid-state lighting industry.”

“We believe that Group IV has significant technology that complements Applied Materials’ work in developing cost-effective nanomanufacturing technology solutions,” said J. Christopher Moran, Vice President and General Manager of Applied Ventures. “Using our 40 years of experience in providing high-productivity manufacturing systems to the silicon IC industry, we look forward to working with Group IV to help increase the efficiency and lower the cost of this energy-saving technology.”

About Group IV Semiconductor Inc.

Group IV Semiconductor (www.groupivsemi.com) is developing revolutionary silicon-based solid-state light emitters. These devices will be the building blocks of future solid-state lighting products that are more efficient than fluorescent lights, have a much longer life than conventional bulbs, and enable production costs low enough to promote rapid, widespread adoption. Group IV Semiconductor is based in Ottawa, Canada.

About Garage Technology Ventures Canada

Garage Technology Ventures Canada (www.garagecanada.com) is a Montreal-based seed and early stage venture capital fund focused on investing in technology companies with strong intellectual property and disruptive or market-shaping potential in global markets. Garage Canada is the exclusive Canadian strategic partner of Garage Technology Ventures (Palo Alto, CA) and the Band of Angels (Menlo Park, CA).

About Applied Ventures, LLC

Applied Ventures, LLC, a subsidiary of Applied Materials, Inc. (Nasdaq: AMAT), invests in early stage companies with high-growth potential pursuing technologies that provide a natural extension to Applied Materials’ core business and innovations that stimulate the growth of applications for semiconductors, displays and related products and services. Applied Materials is the global leader in Nanomanufacturing Technology™ solutions with a broad portfolio of innovative equipment, service and software products for the fabrication of semiconductor chips, flat panels, solar photovoltaic cells, flexible electronics and energy efficient glass (www.appliedmaterials.com).

About BDC Venture Capital

BDC Venture Capital is a major venture capital investor in Canada, active at every stage of the company's development cycle, from seed through expansion, with a focus on technology-based businesses that have high growth potential and that are positioned to become dominant players in their markets. BDC Venture Capital has been involved in venture capital since 1975 and has to date invested in more than 400 companies involved in the areas of Life Sciences, Telecommunications, Information Technology and Advanced Technologies (www.bdc.ca).

About Khosla Ventures

Khosla Ventures offers venture assistance, strategic advice and capital to entrepreneurs. The firm helps entrepreneurs extend the potential of the Internet to new markets such as mobile and supports breakthrough scientific work such as bio refineries. The partners have been involved in founding or growing billion dollar businesses such as Sun Microsystems, Juniper Networks and AOL and pioneering scientific work such as the first complete sequencing of a plant genome. Vinod Khosla founded the firm in 2004 and was joined by general partners David Weiden and Samir Kaul, as well as chief scientific officer Doug Cameron in 2006. The firm's capital comes entirely from its own partners and a portion of all profits are donated to charitable causes, with an emphasis on micro-finance and affordable housing. Khosla Ventures is based in Menlo Park, California. (www.khoslaventures.com)

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