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NEW MICROCHIP CONNECTION TECHNOLOGY RAISES \$7 MILLION

(Toronto, Canada July 12th, 2005)

Microbonds Inc., a pioneer of new connection technologies for micro-chips, today announced that it has completed a financing round in the amount of \$7,000,000 (CDN) led by Whitecap Venture Partners.

Microbonds' X-Wire™ Technology offers the semiconductor industry powerful and reliable solutions for their electronic inter-connect problems that occur when advances in microchip technologies at the die level exceed the capabilities of the existing assembly and packaging interconnect technologies.

Microbonds Board of Directors Member, Elmer Kim said, "Microbonds is successfully passing the semiconductor industry's stringent technical and production tests for its core X-Wire™ technology platform. We are extremely excited to now be able to supply the semiconductor industry with an elegant, cost effective, drop-in solution for ever tightening packaging geometries of the next generation semiconductor products. We were the first investor in Microbonds and have confidence that the technologies represent an essential solution necessary for the industry to achieve their product performance and cost goals going forward. Microbonds has assembled a strong technical and management team who have consistently demonstrated the resolve, commitment and ingenuity required to make the company and its technologies successful."

Microbonds' CEO Craig Geier added, "With the completion of this funding, our people are now well positioned to capitalize on the strong industry interest we have received to date. We are accelerating the development of our capabilities in manufacturing and research & development, both internally and with our supply chain partners, to ensure that we are aligned for the long term with the needs and directions of our customers. Whitecap has been a steadfast supporter of the Company since the beginning and we are fortunate to have such a strong partner to help us as we build the Company."

About Whitecap Venture Partners

Toronto based Whitecap Venture Partners (www.whitecapvp.com), a division of Whitecastle Investments Limited, has been a successful investor in technology companies for more than 15 years. Whitecap works with outstanding technology leaders by providing strategic assistance and management leadership to build world class companies.

About X-Wire™ Technology

Microbonds' XWire™ interconnect solution consists of a proprietary insulated coating applied to bare gold bonding wires (X-Wire), the assembly processes and procedures required to utilize insulated bond wire with the existing Wire Bonding infrastructure (X-Process™), and a number of special packaging designs enabled by XWire (marketed as X-Pax™). This qualified technology enables bonding wires to touch without causing an electrical short, facilitating the design of a wide array of the highest performance-to-cost packages in the industry. X-Wire overcomes many of the physical and economic limitations inherent when using bare bond wire or bump based options, providing microchip package designers with a reliable solution for many of their more pressing interconnect bottlenecks. With X-Wire, customers can achieve new geometries through area array wire bonding, reduce substrate layers through direct to ball bonding, as well as a number of other new designs that can decrease the size of the package, increase the electrical performance, and reduce the overall cost of the package

About Microbonds Inc.

Microbonds, Inc. is a pioneer in the development of unique microchip interconnect solutions for use in the design and assembly of microelectronic devices. The company's core technology enables the development of faster, smaller and cheaper microchips while improving manufacturing reliability. Founded in 1999 by IBM-trained engineers, the company's approach is proven through testing with major IC companies. Microbonds is a privately held company funded by a leading Canadian VC, Whitecap Venture Partners and a number of private global angel investors. For more information, see www.microbonds.com

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