

Press Release

July 13, 2011

Advanced Diamond Technologies Closes \$5.2 Million in Series D Funding

Romeoville, IL—July 13, 2011—Advanced Diamond Technologies (ADT), the world leader in developing diamond films for industrial, electronic, and water treatment applications announces the successful close of its \$5.2 million Series D financing. S-Group Capital Management (S-Group) led this funding round, which also included a number of existing ADT investors.

S-Group is a private equity and venture capital company based in Moscow, Russia which focuses on growth opportunities in high-tech and consumer-oriented businesses. S-Group invests in companies with high sales growth potential, especially when this growth may be followed by sustainable profit growth. They select companies for their portfolio that have an aggressive business model, strong entrepreneurial teams, target markets with high potential, multiple exit strategies, and an impeccable reputation.

“This investment in ADT gives us the opportunity to realize diamond’s potential in multiple applications with an international reach in the areas of industrial coatings, semiconductors, and water treatment,” said, Vladimir Yakushev, S-Group’s Managing Partner.

ADT enables a wide range of products with UNCD[®], a patented thin-film form of nanocrystalline diamond that harnesses the unsurpassed properties of diamond, to exponentially enhance performance with little added cost. UNCD Bearings prevent failures associated with dry running in pharmaceutical mixers without introducing contaminants into the process that can ruin entire batches of drugs costing hundreds of thousands of dollars. UNCD Electrodes[™] reduce the cost of disinfecting potable water by, at least, a factor of ten. UNCD-based high power, wireless, broadband communication chips are much smaller in size, have faster data transfer rates, and reduce manufacturing costs through mass-production scaling. ADT’s UNCD technology has finally made diamond a useful and affordable engineering material.

“Bottom line, the proceeds of this round of funding will be used to grow sales,” said Dr. John Carlisle, ADT’s co-founder, CTO, and acting CEO. “We will invest in sales, marketing, and business development activities to drive future revenue and growth or position segments of our business for acquisition. Our three primary product families each have markets in the billions of dollars. Since ADT’s founding, we have worked to position the technology to where we can deliver game-changing products into markets with high potential revenues and high societal impact. This is a very exciting time for ADT; we are accelerating our business and there are many changes to come.”

“It’s truly a testament to ADT that despite years of challenging worldwide economic conditions, they’ve transitioned from a start-up nanotechnology company and emerged as a internationally recognized manufacturer of award-winning products enabled by diamond,” said Bob Geras, ADT’s Chairman of the Board. “ADT’s perseverance and exciting progress embodies the spirit of Chicago innovation.”

The logo for Advanced Diamond Technologies, Inc. features a stylized white diamond shape on a dark green background. The text "ADVANCED DIAMOND TECHNOLOGIES, INC." is written in white, uppercase letters across the middle of the diamond.

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About Advanced Diamond Technologies

ADT develops products that are enabled by thin smooth diamond. ADT is a World Economic Forum 2007 Technology Pioneer, recipient of a 2008 EuroAsia IC Award in the Materials Enabling category from *EuroAsia Semiconductor*, 2008 R&D 100 Award winner for UNCD[®] Seals (mechanical seals for pumps), 2009 R&D 100 Award winner for NaDiaProbes[®] (AFM probes made entirely of diamond), and 2011 R&D 100 Award winner for its Integrated RF MEMS Switch/CMOS Device. For more information about ADT, visit www.thindiamond.com.

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