



TANAKA AND MICROBONDS ANNOUNCE STRATEGIC ALLIANCE TO RELEASE X-WIRE™ TECHNOLOGY

◇ *Breakthrough insulated wire bonding solution is the first new major innovation for microchip packaging interconnects in 50 years*

TOKYO, Japan & TORONTO, Canada, July 11, 2005 - Tanaka Denshi Kogyo K.K., the leading supplier of standard bare gold bonding wire and Microbonds Inc., pioneer of new wire-bonding interconnect technology, today announced an alliance to launch a line of insulated gold bonding wires that address the significant interconnect bottlenecks facing the semiconductor industry. Using Microbonds proprietary X-Wire™ Technology and Tanaka's leading gold bond wires, this solution is targeted at today's complex manufacturing applications including area array wire bonding, stacked die and rapid prototyping.

"Tanaka is delighted to work with Microbonds to introduce this exciting new development in wire bonding technology, which we believe will significantly extend and expand the dominance of the wire bond industry," said Shinji Shirakawa, General Manager, Technical Development Division of Tanaka Denshi Kogyo K.K. "The X-Wire technology leverages existing dominant wire-bonding infrastructure and expertise and can be integrated with minimal disruption; yet the unique, insulated approach permits wires to touch and cross, enabling significant increases in interconnect densities for a wide array of new chip and package designs. For users, this technology is easy to use and delivers powerful benefits such as yield improvements, performance enhancements and cost savings."

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“Tanaka has a stellar reputation for quality and service in the semiconductor industry,” said Craig Geier, President & CEO of Microbonds. “We are honored that Tanaka has agreed to align their research, development, production and distribution capabilities with Microbonds to create a next-generation solution that provides customers benefits above and beyond today’s standard bare wire and bump-based interconnect technologies.”

The companies are expected to launch the commercial availability of Tanaka X-Wire™ by third quarter, 2005.

About X-Wire Technology

Microbonds’ X-Wire™ interconnect solution consists of a proprietary insulated coating applied to bare gold bonding wires, 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 X-Wire™ (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 Tanaka

Tanaka Kikinzoku is a global provider of precious metal materials, such as bonding wires and targets that support the production of semiconductor devices from wafer to assembly processing. Based in Tokyo, Japan, the company has been in business for over 100 years. Its products play a vital role in the industrial fields, such as energy conservation, environmental control, health care, electric and electronics, automobile, telecommunication and semiconductors. For more information, please visit: www.tanaka-precious.com

About Microbonds

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 X-Wire 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 group of private global angel investors. For more information, see www.microbonds.com

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