

News Release

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New Scale Technologies, Inc. Secures New Equity Investment to Pursue Mobile Phone Camera Market

October 21, 2005 - Victor, NY - New Scale Technologies, Inc. (www.newscaletech.com) has secured a new equity investment of \$700,000 to fund business development into the exploding market for mobile phone cameras. The investors, all from the Rochester area, include Trillium Group's University Technology Seed Fund, strategic investor Istria, Inc., and several individuals from the recently formed Rochester Angel Network.

"New Scale has an innovative, patented technology that solves a key problem in the high-growth mobile phone camera market," said José J. Coronas, General Partner at Trillium Group. "We are excited to help New Scale move more quickly to capture this opportunity."

"The New Scale financing is a real milestone for the Rochester community," said David Hessler, Entrepreneur in Residence at High Tech Rochester and one of the founding members of the Rochester Angel Network. "It is the result of great collaboration among a high-potential startup company, HTR's Capital Readiness Program, and local investing groups."

New Scale manufactures the piezoelectric SQUIGGLE® motor. This patented ultrasonic motor is smaller and more efficient than conventional electromagnetic motors and can be used to add auto focus and optical zoom to tiny phone cameras.

More than 300 million phone cameras will be manufactured in 2005, outpacing the market for larger-sized digital still cameras by a factor of three. The Mobile Imaging Report forecasts that 500 million phone cameras will be shipped in 2008, representing a new market for one billion tiny motors, according to New Scale President and CEO David Henderson.

"Phone cameras will be the dominant way people take pictures in the future," Henderson said. "Now consumers are demanding better-quality pictures from their phones. Our miniature motors allow phone manufacturers to deliver those high-quality images by adding features such as auto focus and optical zoom, in smaller handsets, with little drain on the batteries."

New Scale will invest the funds in both product development and business development, concentrating on customized motors and related motion applications for phone cameras. Sample SQUIGGLE motors have already been delivered to a major phone camera manufacturer for testing.

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“We have received very positive response from potential customers,” Henderson said. “We offer a unique and disruptive solution for making better phone cameras, and we are pursuing partnerships that will help us move quickly to high-volume production.”

The company expects to add up to ten new positions in its Victor, NY headquarters by the end of 2006. HTR’s Hessler cited the close collaboration of Rochester-based investment organizations to create this job growth and benefit the local economy. “The ability of all these organizations to reach agreement in a short time period creates new opportunities for the Rochester economy, the investors, and New Scale,” Hessler said.

About New Scale Technologies, Inc.

New Scale Technologies, Inc. (www.newscaletech.com) makes miniature ceramic motors that enable our customers to create smaller products. With few parts and no gears, this patented piezoelectric motor design uses ultrasonic vibrations to create precise linear motion. New Scale's miniature motors are simple, robust, efficient, low cost and compatible with extreme environments including vacuum, very cold temperatures, and high magnetic fields. In addition to cameras, they are used in nanotechnology research, microelectronics, optics, lasers, biotechnology, medical devices, aerospace and defense, fluid control, and office/consumer products. The company was founded in 2002 by David Henderson and is located in Victor, NY.

SQUIGGLE is a registered trademark of New Scale Technologies, Inc.

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