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**sp3 Diamond Technologies Engages
Advanced Packaging Associates as Sales Representative**

*Company to Aggressively Market sp3's CVD Diamond Products
For Thermal Management Applications*

SANTA CLARA, Calif. — August 19, 2008 — sp3 Diamond Technologies, Inc. (sp3), a leading supplier of diamond film products, equipment and services, today announced that Advanced Packaging Associates, Inc. (APA) has been engaged as a sales representative, and will be responsible for increasing sales of sp3's chemical vapor deposition (CVD) diamond products for thermal management applications. APA will target prospective customers in California, Arizona and New Mexico.

APA will be primarily responsible for marketing sp3's DiaTherm™ heat spreaders and diamond wafer coating services. sp3 DiaTherm thick film CVD diamond heat spreaders exhibit exceptionally high thermal diffusivity and conductivity, making them ideal mounting structures for laser diodes, laser diode arrays, LEDs and high power semiconductor devices, including RF. sp3's wafer coating services deliver a proven diamond CVD process to reach an ever-widening range of thermal management and diamond-on-silicon applications that can be deposited on wafers up to 300 mm.

"Electronics manufacturers continue to explore new materials that offer higher performance at lower costs, across a wide spectrum of applications," explained Dwain Aidala, president and COO for sp3 Diamond Technologies. "We have proven that our CVD diamond is an ideal material to address thermal management issues in particular, while being extremely cost-effective to implement. Given that diamond's benefits have been demonstrated, we are now at a juncture as an organization that speaks to increasing our sales outreach. APA is an ideal partner for us, thanks to their

background and industry knowledge, and we have tasked them with actively marketing our products and increasing their adoption in electronics manufacturing.”

APA specializes in the following markets: microelectronic design and assembly, high-density interconnect (ceramic, organic), thermal management and component fabrication. Stu Weinshanker will have primary responsibility for representing sp3’s thermal management portfolio to these markets. Weinshanker is well known in the microelectronics packaging industry for his knowledge and expertise in materials and joining. His professional experience includes sales, marketing, engineering and operations management positions at industry leading companies.

“APA very quickly recognized the unique value proposition that sp3 offers the electronics industry in terms of manufacturing CVD diamond and offering a broad CVD diamond product portfolio targeting thermal management applications,” said Stu Weinshanker, president of Advanced Packaging Associates. “We expect that sp3’s DiaTherm heat spreaders and CVD diamond wafer coating services, with the significant performance improvements they deliver, will be of great interest to the electronics manufacturing and packaging markets.”

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About sp3 Diamond Technologies, Inc.

sp3 Diamond Technologies is focused on providing diamond-based solutions for electronics thermal management, diamond-on-silicon applications, and enhanced cutting surfaces. Based in Santa Clara, California, USA, the company provides diamond products for thermal and cutting applications, diamond deposition services, hot filament CVD reactors, and deposition consulting services to companies worldwide across a broad spectrum of industries.

sp3 Diamond Technologies is a subsidiary of sp3 Inc., a full service provider of products and services relating to thin-film and thick-film diamond deposition and other diamond materials. sp3 Inc. is comprised of sp3 Diamond Technologies and sp3 Cutting Tools.

For more information about the company and its products and services please visit www.sp3diamondtech.com.