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SPECTRA7 MICROSYSTEMS CLOSES \$11 MILLION OVERSUBSCRIBED FINANCING ROUND

First Closing Exceeds Original Allocation as Company Builds Momentum to IPO

TORONTO, Canada, 14 August 2012 – [Spectra7 Microsystems](#) today announced that they have secured a first closing of \$11 million in funding from premier venture capital firms Celtic House Venture Partners, Ventures West Capital and EdgeStone Capital Partners. The funding will be used to accelerate product development and the production ramp of their new consumer electronics product line. In addition, the company will have the resources available to expedite the integration of [Fresco Microchip](#), [RedMere Technology](#) and Chrysalis Capital VIII Corporation in accordance with the merger announced on July 17th.

Spectra7 is positioned to be a leading high performance analog semiconductor innovator. By combining the high speed signaling technology of RedMere with the small signal RF capabilities of Fresco, Spectra7 will deliver a new class of disruptive high speed analog semiconductors to the consumer and wireless infrastructure markets. As a public company, Spectra7 will have access to corporate, institutional and retail sector funds to fuel long term growth.

Tony Stelliga, CEO of RedMere and Spectra7 said, "The oversubscription of this financing round underlines that our unique strategy on delivering high bandwidth, frequency agile semiconductors for the next generation mobile internet is a winner." He continued, "A public listing coupled with strong investor support provides us with many competitive advantages as we continue to execute on our business plan."

Brian Antonen of Celtic House said, "Spectra7 represents the culmination of best-in-class technology from two industry leaders and a very experienced management team. We are delighted to take part in this financing round. The company plans to attack the high growth mobile internet market. In our view, high performance analog represents one of the true high growth areas in the semiconductor market."

About Spectra7 Microsystems

Spectra7 will be a high performance analog semiconductor company focused on delivering unprecedented bandwidth for mobile infrastructure and consumer products. Spectra7 is being formed to address the exponential demand for more bandwidth and lower costs in mobile and internet infrastructure equipment, including handsets, tablets, base stations and

microwave backhaul systems. Spectra7 will be positioned to provide new system level analog components that will deliver exceptional bandwidth over fiber and copper links and address the wireless bandwidth bottlenecks in the mobile internet.

About RedMere Technology

RedMere provides complete active-cable solutions to cable industry leaders and manufacturing partners. In a world where connection speed increases, RedMere enables easy to use, high quality, smart connectivity for The Home, On the Move and The Office. These new active cable systems deliver the ultimate in compact digital connectivity over HDMI, DisplayPort and USB for Video and Still Cameras, Smartphones, HDTV, Blu-Ray DVD, PS3 and Xbox, as well as enterprise solutions using Infiniband and PCI Express. The company is headquartered in Cork, Ireland. For more information, see www.redmere.com.

About Fresco Microchip

Fresco is a leader in RF, analog and digital semiconductors. The company's products deliver Value Through Innovation™ by offering significantly lower system solution costs at optimal performance. Fresco's patent-pending technology transcends a broad range of consumer devices creating a fundamental paradigm shift in the television market. Millions of Fresco's chips have shipped worldwide in thousands of TV models made by several leading consumer electronic brands. The company is headquartered in Toronto, Canada with design centers both in head office and Irvine, California.

About Celtic House Venture Partners

Celtic House Venture Partners is an independent Canadian investment firm. Since 1994, Celtic House has been one of Canada's most active investors in technology and innovation. Capitalizing on the deep domain expertise of its partners, Celtic House has consistently provided superior financial returns to its investors. Celtic House has collaborated with management teams and repeat entrepreneurs to develop technology companies from the inception phase through to exit, generating over 20 initial public offerings and successful acquisitions. From offices in Toronto, Montréal and Ottawa, Celtic House manages over \$425 million across three funds. For more information, visit www.celtic-house.com.

About Chrysalis Capital VIII Corporation

Chrysalis Capital VIII Corporation is The Chrysalis Capital Group Inc.'s (TCCG) eighth capital pool company (CPC). Chrysalis is entirely focused on generating superior shareholder returns through the creation of a series of unique CPCs. To date, Chrysalis has created eight Chrysalis branded CPCs and has assisted in the creation of four additional CPCs under their partners program. For more information about TCCG, please visit www.tccg.ca.

About Ventures West

Ventures West is one of Canada's oldest, largest and most established venture capital firms and is a recognized market leader in innovative early-stage technology investing with an established geographic and market presence across Canada. Since its founding in 1973, the Firm has operated eight venture capital funds, with total committed capital of over \$700 million. For more information, visit <http://www.ventureswest.com>.

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