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Silicon Border Breaks Ground in Mexicali

*Science Park becomes a reality and offers alternative
for North American semiconductor operations*

SAN DIEGO, Calif. (July 12, 2005) – Silicon Border Development recently broke ground on a 10,000-acre Science Park in Mexicali, the capital of Baja California, Mexico, thus laying the foundation for a strategic alternative for cost-effective and centralized semiconductor operations in North America. Final agreements from the Mexican Federal and Baja, Calif., state governments for a development grant and an expanded exclusivity agreement began this development of a specialized science park, located next to the capital of the State's main landmark "El Centinela Mountain" that borders the United States.

More than 300 participated in the groundbreaking event, including representatives from BENQ, Conexant Systems, Jazz Semiconductor, Panasonic, Qualcomm Incorporated, Skyworks, ST Microelectronics and TelCell. Paul Davis, SEMI, Dr. Dwight Decker, Semiconductor Industry Association and FSA, and Dr. Eduardo Solis, Head of the Office of Investment Promotion & Special Projects of the Federal Ministry of Economy for Mexico, were also in attendance.

D.J. Hill, co-founder and chairman of Silicon Border, spoke of the science park's future. "The community had prepared itself to become the center for manufacturing excellence in the Americas," Hill stated. "Together, we will add infrastructure for one of the most demanding industries in the world. It will be a long road, and most likely take more than 10 years to build out, but the end product will bring advanced manufacturing back to America."

Ron Jones, co-founder and chief executive officer of Silicon Border, provided a brief history of the project and discussed the risks of moving North American manufacturing technology to the Far East. "Our semiconductor supply chains will be severely affected should disaster strike the Far East region," stated Jones. "Silicon Border will bring centralized semiconductor operations to North America through this Science Park in Mexicali, an area with vast resources and strong support from local governments."

Silicon Border initially gained support for this project from Governor Eugenio Elorduy Walther, who championed the idea to President Fox and members of the Cabinet, including Secretary Canales, Mexico's minister of economy.

"Mexicali looks forward to the growth opportunities that Silicon Border and this project brings to the table," stated Mexicali Mayor Samuel Ramos Flores. "Of course, with those opportunities, Mexicali faces growth challenges," he continued.

Baja California Governor Elorduy challenged Mexico to support the project, most notably the state of Baja, Calif. and the city of Mexicali. "This initiative is quickly becoming a reality," Governor Elorduy said. "The project has sustenance, viability and human quality, combined with a President and Secretary of Economy who have visions of its success."

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About Silicon Border

Silicon Border is a 10,000-acre high-technology science park catering to the specialized needs of the semiconductor and other capital-intensive technology sectors. Planned for development along the U.S.-Mexico border in Mexicali, Silicon Border enables a cost-effective and competitive manufacturing alternative in North America for emerging and global companies. Improving upon the world's leading technology parks, the park's 15 square miles of world-class infrastructure and education will support the stringent requirements of the semiconductor, flat panel display, telecom, optoelectronic and biotechnology industries. More information about Silicon Border is available online at <http://www.siliconborder.com>.

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