

InMat Inc.



The Innovative Materials Company

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News Release
For Immediate Release

InMat®, The Leader in Nanocomposite Barrier Coating Technology, Receives \$1 Million in Funding from the NJTC Venture Fund

Hillsborough, NJ May 14, 2004 --- InMat Inc. a leader in the area of functional nanocomposite coatings, announced that the NJTC Venture Fund has joined its current funding round with a commitment of \$1 million.

“We are excited about the enormous potential of InMat's barrier coating technology in several different industries”, says Jim Gunton of NJTC Venture Fund. “InMat exemplifies how talented, experienced entrepreneurs have spun-out top technology from a leading corporate R & D program.”

With its functional nanocomposite coating approach, InMat has solutions to a generic problem in the rubber industry – rubber is too permeable for most of its applications. Its first product, Air D-Fense™ 2000 is used in Wilson Sporting Good's Double Core tennis balls, the official ball of the Davis Cup.

“We are very proud that NJTC Venture Fund recognizes InMat's opportunity” said Harris Goldberg, President and CEO, “This financing will not only bring us additional resources, but will also provide the assistance of the venture firm with the best network of local area contacts.”

InMat's technology platform is based on its expertise in developing stable aqueous dispersions of polymer and nanodispersed layered silicates that can easily be applied to form good barrier coatings. In addition, it has proprietary technology for controlling the interfacial interactions enabling the resulting coatings to be flexible enough for products made out of rubber.

InMat is currently working with potential customers to develop tires that will be less expensive, more fuel efficient, and safer while reducing disposal costs. InMat is also working to develop improved gloves for protection against chemical warfare agents with the support of U.S. Army Soldier Systems Center in Natick, MA.

More recently, InMat has demonstrated that it can use its basic approach to make nanocomposite barrier coatings based on several different polymers. In addition to new elastomeric barrier coatings designed for the chemical protective glove market, InMat also has barrier coatings suitable for the packaging industry under development. Target markets include flexible food packaging, beverage containers, and medical packaging and devices.

The NJTC Venture Fund joins Pangaea Ventures, NGEN Partners, and DSM Venturing as institutional investors in InMat. Jim Gunton, a general partner of NJTC Venture Fund, will join InMat's Board of Directors.

InMat, Inc. (www.InMat.com)

InMat Inc., The Innovative Materials Company, is a New Jersey based company leading the development and commercialization of nanocomposite barrier coating technology. InMat targets sporting goods, automotive, packaging, and personal protection markets. The company is committed to providing environmentally friendly coatings to improve product performance for industrial customers.

NJTC Venture Fund (www.njtvc.com)

NJTC Venture Fund is an \$80M early stage venture capital fund investing in promising companies located in the New Jersey region. Industries of interest include communications, information technology, healthcare/life sciences, and materials. NJTC Venture Fund will invest \$1M - \$4M per company and supports its portfolio with an unparalleled network of local, active partners and advisors.

Pangaea Ventures (www.pangaeaventures.com)

Pangaea is a venture capital firm based in Western Canada that invests in post-seed, early stage companies. It focuses on advanced materials, including nanomaterial and alternative energy technologies and software companies. Pangaea prides itself on building companies by providing strategic technical and business expertise. One of Pangaea's strategic investors is Umicore, a leading, global metals and materials company.

NGEN Partners LLC (www.NGenpartners.com)

NGEN is a venture capital fund dedicated to identifying and nurturing emerging companies that address large market opportunities in the materials fields. Based in Santa Barbara, CA, the fund is engineered so as to support portfolio companies in accelerating product development progress. Investors in the fund, the fund's limited partners, include Air Products and Chemicals, BASF, Bayer, BHP Billiton, Boeing, DSM, Dupont, Henkel, Schott Glas, CDP Capital – Technology Ventures, and Unilever.

DSM Venturing (www.dsm-venturing.com)

DSM Venturing is part of DSM's Venturing & Business Development business group and was formed in the first half of 2001. It has invested in several Venture Capital Funds and has shifted its focus toward direct investments in early stage companies in DSM's strategic growth fields: Life Sciences Food & Feed, Pharmaceuticals and High Performance Materials.

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