

For Immediate Release

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Nantero, Inc. Announces Carbon Nanotube Technology Development Project with LSI Logic

Woburn, MA – June 7, 2004. Nantero, Inc. announced today that it is teaming with LSI Logic Corporation (NYSE: LSI) to develop semiconductor process technology, expediting the effective utilization of carbon nanotubes in CMOS fabrication.

The joint development project is taking place at LSI Logic's Gresham (Oregon) manufacturing campus, which is capable of process R&D down to the 65nm node.

The high electrical conductivity, thermal conductivity, and tensile strength of carbon nanotubes make them highly attractive for electronic device applications. These properties enable performance breakthroughs both through incorporation into existing semiconductor products and in the development of next generation products.

"LSI Logic has all of the necessary ingredients to accelerate the development of carbon nanotubes in CMOS: a strong focus on innovation, a highly qualified engineering team, and a world-class fab," said Greg Schmergel, Nantero's co-founder and CEO. "All of these factors and more makes LSI Logic an ideal partner for us in developing Nantero's carbon nanotube technology for high-volume manufacturing."

Nantero's proprietary processes for the use of carbon nanotubes are CMOS-compatible and are presently under development at LSI Logic's Gresham semiconductor manufacturing campus. The LSI Logic facility was recognized by Semiconductor International magazine as Fab of the Year for 2002.

"LSI Logic has and continues to focus its process technology R&D efforts to solving technology challenges, such as the issues associated with low-k dielectrics," said Richard Schinella, LSI Logic vice president of Wafer Process R&D. "Teaming with Nantero, LSI Logic is applying its silicon integration skills to realizing the potential of carbon nanotubes in advanced CMOS manufacturing."

About Nantero

Nantero is a nanotechnology company using carbon nanotubes for the development of next-generation semiconductor devices. Nantero itself is developing **NRAM**[™] –a high-density nonvolatile random access storage device. The potential applications for the nonvolatile storage device Nantero is developing are extensive and include the ability to enable instant-on computers and to replace the memory in devices such as cell phones, MP3 players, digital

cameras, and PDAs, as well as applications in the networking arena. NRAM™ can be manufactured for both standalone and embedded memory applications. Nantero is also working with licensees on the development of additional applications of Nantero's core nanotube-based technology.

About LSI Logic

LSI Logic Corporation (NYSE: LSI) is a leading designer and manufacturer of communications, consumer and storage semiconductors for applications that access, interconnect and store data, voice and video. In addition, the company supplies storage network solutions for the enterprise. LSI Logic is headquartered at 1621 Barber Lane, Milpitas, CA 95035. <http://www.lsillogic.com>