



For immediate release

**REDMERE, FRESCO AND LEADING INVESTORS PARTNER TO CREATE
SPECTRA7; BACKED BY \$10 MILLION IN NEW EQUITY**

*New High Performance Analog Semiconductor Company Targeting Mobile
Infrastructure and Consumer Markets*

CORK, Ireland, **TORONTO**, Canada, 17 July 2012 – RedMere Technology Limited and Fresco Microchip Inc. today announced that they have entered into a definitive agreement to merge with Chrysalis Capital VIII Corporation to create Spectra7 Microsystems, a soon to be publicly traded company on the TSX Venture Exchange. Spectra7 will be a high performance analog semiconductor company focused on delivering unprecedented bandwidth for mobile infrastructure and consumer products. The company is expected to raise over \$10 million in equity, including investments from leading venture capital firms, such as Celtic House Venture Partners, EdgeStone Capital Partners and Ventures West.

Spectra7 Microsystems

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. On the consumer side, this rapid increase in bandwidth demand is driven by rich media, higher resolution displays, faster frame rates and increasing smartphone and tablet adoption, which can only be delivered with new, high performance, low power analog “signal conditioning” semiconductor devices. Aging telecom infrastructure, originally architected for voice deployments needs smarter high performance analog signal processing to accommodate the demand for media rich content delivery.

Using technology developed by RedMere and Fresco, Spectra7 will be positioned to provide new system level analog components that will deliver unprecedented bandwidth over fiber and copper links and address the wireless bandwidth bottlenecks in the mobile internet. The combination of both companies will result in a capital investment to date of over \$80 million, a significant portfolio of patents and development centers in four countries.

“The mobile internet has an insatiable appetite for bandwidth – growing almost 20

fold in the next four years, with connection speeds increasing 10 fold at the same time. As a result, smartphones, tablets and the wireless infrastructure require new analog signal processing technology.” said Tony Stelliga the newly appointed CEO of RedMere. “Spectra7 captures this unprecedented opportunity with the unique combination of RedMere analog products, Fresco wireless technologies and a new capital structure. Spectra7’s access to a broader capital base and its best in class wireline and wireless analog signal processing capability will create a diversified, high growth analog company, attracting the industry’s best talent.”

Management

RedMere and Fresco management will be expanded with the appointment of Tony Stelliga as Spectra7’s incoming President and CEO. Mr. Stelliga is currently CEO of RedMere and is a member of the Board of Directors of both RedMere and Fresco. Mr. Stelliga was formerly the Chairman and CEO of Quellan, a leading developer of high performance Analog Semiconductors until it was acquired by Intersil Corporation in 2009. Prior to his roles at Quellan and Intersil, Mr. Stelliga held senior management and strategic positions at Intel Corporation following Intel’s acquisition of Softcom Microsystems in 1999, a high performance semiconductor company he founded and acted as Chairman and CEO. Mr. Stelliga has also held Vice-President and General Manager positions at LSI Logic Corporation and Newbridge Microsystems prior to its spinout as Tundra Semiconductor. Mr. Stelliga has served on the Board of Q-Sound Corporation, a publicly traded company, and holds 20 US Patents.

New Capital

Spectra7 is expected to raise over \$10 million of equity financing from new and existing RedMere and Fresco investors, including Celtic House Venture Partners, EdgeStone Capital Partners and Ventures West.

“The combination of RedMere and Fresco to create Spectra7 is in line with Celtic House’s long-term investment strategy of leveraging the core competencies in our target regions to develop platform technology companies,” said Brian Antonen, Partner at Celtic House. “Media, and in specific video, is the primary reason we see network congestion today, and is a real growth opportunity. Spectra7 will bring well-funded, best-in-class technology and experienced management to this new high growth market.”

Structure

Under the terms of the definitive agreement, Chrysalis VIII, a Capital Pool Company, will acquire all of the issued and outstanding shares in the capital of Fresco and all of the issued and outstanding shares in the capital of RedMere. The transaction will be structured in a manner to accommodate efficiencies for various legal structures, tax and accounting treatments and securities regulations. At the closing of the

transaction, Chrysalis VIII shall be the “resulting issuer”, with each of Fresco and RedMere becoming a wholly-owned subsidiary of Chrysalis VIII.

The transaction is intended to result in a reverse take-over of Chrysalis VIII by Spectra7 and its shareholders. It is intended that the transaction will constitute the “Qualifying Transaction” of Chrysalis VIII as such term is defined in the Capital Pool Companies Policy of the TSX Venture Exchange.

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.

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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