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Fiberbyte Wins Federal Government "Commercial Ready Grant" for USB-inSync™ Data Acquisition Technology

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Silex Systems Limited is pleased to announce that its Adelaide-based subsidiary Fiberbyte Pty Ltd (85% ownership) has won a Federal Government AusIndustry Commercial Ready Grant for the commercialisation of its award-winning USB-inSync™ Data Acquisition Technology.

The Grant, announced today by Industry Minister Ian McFarlane, will provide approximately $1.15 million over two years, representing 50% funding of the total commercialisation project budget of $2.3 million (refer attached announcement).

The Commercial Ready Grant Program is a Federal Government initiative administered by the Industry Research and Development Board for the purpose of assisting in the commercialisation of innovative Australian Technology. Fiberbyte is developing a novel range of data acquisition products based on its proprietary and patent-pending 'USB-inSync™' technology which, for the first time, allows synchronous control of electronic test and measurement equipment through a standard Universal Serial Bus (USB) port.

The target market for Fiberbyte's initial range of products is the USB-based segment of the Data Acquisition market, currently worth approximately US$100 million per annum. Beyond this, Fiberbyte's technology may in the future have application to additional segments of the broader world-wide Data Acquisition market, currently worth approximately US$2.8 billion per annum.

Virtually every consumer product we use today has been manufactured and tested in plants using this type of equipment. Applications range from the semiconductor, automotive and mining industries through to medical diagnostics and food processing. A large number of these applications require synchronous measurements and acquisition of data, or deterministic control of equipment (the ability to control events with precise relative timing) within an automated production process.

Historically, the equipment used in these industries has been typically bulky, highly complex and very expensive. The last ten years have seen a major shift towards "virtual instrumentation", which leverages the increase in performance, flexibility and cost advantages of the PC/laptop. In more recent years, there has been a further shift from centralised rack-based architectures to an ultra-portable platform based on the standard USB interface. Fiberbyte's 'USB-inSync™' interface technology offers this segment of the market a significant boost in power and performance for little extra cost. The technology bridges the current gap between the performance benefits of centralised rack-based systems and the portable nature of USB-based equipment. In simple terms, the USB-inSync™ platform transforms the common USB port, available on all PC's and laptops, into a high band-width synchronous and distributed instrumentation bus, capable of interfacing up to 100 independent data or measurement devices.

The Commercial Ready Grant will assist Fiberbyte in the roll-out of its first range of USB-inSync™ products over the next two years and establish the brand and the technology internationally. Fiberbyte's initial product release (refer to Fiberbyte website below) is scheduled for June/July 2005, with preliminary production and sales & marketing activities underway.

The Grant, which was awarded after a competitive merit-based assessment, confirms the growing status of Fiberbyte's technology. Successful commercialisation will generate valuable export dollars, and will put Fiberbyte and Australia at the forefront of the emerging USB-Data Acquisition equipment market, and help ensure that this exciting technology continues to be developed in Australia.

The Company is also pleased to advise that Fiberbyte recently won a prestigious innovation award, The Telstra–Electronics Industry Association 2004 Award for Engineering Excellence, providing another independent validation of Fiberbyte's USB-inSync™ technology.

Further information on the Company's activities can be found on the Silex website: www.silex.com.au, the Fiberbyte website: www.fiberbyte.com or by contacting the persons listed below.

Contacts:

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Forward looking statements

Silex is a research and development company whose assets are its proprietary rights in technologies, including, but not limited to, the SILEX technology, Translucent technology and Fiberbyte technology. The company's technologies are in the development stage and have not been commercially deployed. Accordingly, the statements in this announcement regarding the future of the company's technologies and commercial prospects are forward looking and actual results could be materially different from those expressed or implied by such forward looking statements as a result of various factors. Some factors that could affect future results and prospects include, but are not limited to, results from the uranium enrichment development program and the stable isotopes program, the demand for enriched materials including uranium, silicon, oxygen, carbon and others, the outcomes of the company's interests in various semiconductor and photonics technologies, the time taken to develop various technologies and the development of alternative technologies.

MEDIA RELEASE

IAN MACFARLANE

Minister for Industry, Tourism and Resources

11 April 2005 05/100

$1.15M *COMMERCIAL READY* GRANT TO SA TECHNOLOGY COMPANY FIBERBYTE

Adelaide technology company Fiberbyte has been awarded South Australia's first grant under the Australian Government's new $1 billion *Commercial Ready* program to develop data-acquisition technology that will greatly speed up information gathering electronically.

Federal Industry Minister Ian Macfarlane announced the $1.15 million grant today. The Australian Government has awarded almost $3 million in *Commercial Ready* grants in recent months.

The *Commercial Ready* grant will assist Fiberbyte to commercialise its USB-inSync™ products which will enable PCs and laptops to simultaneously manage functions and control as many as 100 external data-acquisition devices.

Mr Macfarlane said the exchange and acquisition of data was a vital element in the 21st century workplace and when the operation is going smoothly it contributes greatly to efficiency and productivity.

This technology combines the best of both worlds in the data-acquisition arena, allowing the engineer to implement a flexible laptop-based data acquisition system while retaining the advanced synchronisation features of more costly, traditional centralised infrastructure.

"Fiberbyte's technology will result in a new range of products that can be used in industries ranging from mining and automotive to medical and food processing," said Mr Macfarlane.

"The data acquisition market world-wide runs into billions of dollars each year and Fiberbyte expects the new technology to generate significant national and export earnings. The project will also create local jobs in the company," he said.

The company expects to have its first product 'commercial ready' later this year, targeting the lucrative United States and Japanese markets.

"The Australian Government is committed to supporting the innovations of Australian businesses to encourage more business investment and improve our international competitiveness," said Mr Macfarlane.

Commercial Ready, administered through AusIndustry, will provide up to $200 million a year to small businesses for research and development, proof-of-concept, and early-stage commercialisation activities.

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