

FOR IMMEDIATE RELEASE

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## **C-Cap Members Finance Nanotechnology Firm**

- **Queen City Angels, an investment group associated with C-Cap, invests in Five Star Technologies, a Cleveland nanomaterials company.**
- **Five Star will use the proceeds to launch commercial sale of advanced materials—including nanomaterials, and conduct further nanomaterials research.**
- **This is the second deal funded by C-Cap members in two months.**

CINCINNATI, OHIO, December 14, 2001 – C-Cap, The Circuit’s Capital Resource Hub, today announced that Queen City Angels (QCA), a group of early-stage investors who are C-Cap members, invested in Five Star Technologies, their second investment in two months.

John Habbert, one of the investors and a member of QCA, is a director of the company. “Five Star Technologies has created a truly unique way to produce nanomaterials,” said Mr. Habbert, “and early market acceptance of its products is excellent.” Nanomaterial science is widely seen as revolutionizing the ways in which materials and products are created, and can dramatically enhance their functionality. In fact, the U. S. government allocated half a billion dollars in the 2001 budget for nanomaterials research.

Jim Mazzella, President of Five Star Technologies, explained that “Five Star’s patent-protected technology -- *Controlled Flow Cavitation* -- is a key enabling technology for the efficient high-volume production of nanomaterials and other advanced materials and will have an impact for intensive high-efficiency mixing in a variety of processing industries. The company’s near-term focus is on developing and producing high-value nanomaterials for the multibillion-dollar catalyst and electronic & optical ceramics markets.”

C-Cap has been building a network of Cincinnati-area individual investors interested in early stage growth companies. Entrepreneurs seeking funding from the investors can submit an executive summary of their business plan to Jim Cunningham, the Director of C-Cap, and C-Cap distributes the document to its member investors. Since its start in May 2001, C-Cap’s membership has grown from 7 to 21 investors. Its Internet site is [www.c-cap.net](http://www.c-cap.net).

Most of C-Cap’s investors belong to an investment group called Queen City Angels that meets every few weeks and jointly invests in growth companies. C-Cap assists the group and introduces deals to it. Over the past year, QCA’s members made four other investments before

affiliating with C-Cap. Queen City Angels' members include former growth company CEOs, technology experts and seasoned business managers, who provide valuable mentoring along with financing. QCA is open to new members.

C-Cap is supported by several sponsor organizations that contribute generously to help its mission. The Platinum (highest) level sponsors are KPMG and Ernst & Young CPA firms, and the Taft, Stettinius & Hollister law firm. C-Cap's Supporting sponsors are Blue Chip Venture Company; River Cities Capital Funds; Acordia Insurance; Cors & Bassett; Deloitte & Touche; Fifth Third Bank; Graydon, Head & Ritchey; PricewaterhouseCoopers; and Wood, Herron & Evans. C-Cap is an initiative of The Circuit, a nonprofit association dedicated to helping companies within Cincinnati's high-tech community. The Circuit is a member of Ohio's IT Alliance.

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