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APOGEE BEGINS TEST AND RESEARCH INITIATIVE FOR MEMS-BASED MEDICAL DEVICE WITH UNIVERSITY OF MEDICINE AND DENTISTRY NEW JERSEY

*Joint Study of Transdermal Drug Delivery Device Engineering Samples
Advances Solution toward Commercialization*

NORWOOD, Mass. (March 10, 2005) — Apogee Technology, Inc. (AMEX: ATA), a global provider of silicon-based innovations for specialized commercial applications, announced it has signed an agreement with the University of Medicine and Dentistry New Jersey's (UMDNJ) Laboratory for Drug Delivery to conduct research and testing on the company's proprietary, MEMS-based transdermal drug delivery device.

Apogee selected the Laboratory for Drug Delivery at UMDNJ to study the compatibility of representative large molecule drugs with Apogee's patent-pending transdermal solution. The device is designed to be part of an alternate delivery solution for new and existing large molecule drugs currently used to treat various conditions, such as diabetes, infectious disease, acute pain and chronic pain. Completion of preliminary studies by UMDNJ is expected by year-end, followed by the testing of Apogee's solution for use with selected target drugs for commercialization in 2007.

"Apogee Technology is rapidly moving forward in developing our drug delivery solution, and we know the experts at UMD New Jersey are the right team to help us create the best product available," said Dr. Nevenka Golubovic-Liakopoulos, Manager of New Product Development for the MEMS Division at Apogee Technology. "This technology has the potential to open new markets for drugs and delivery methods not yet in use beyond trials, so it's not only a meaningful solution for health care but also could be a growth driver for Apogee as a technology innovator."

According to a recent Research and Markets report, the market value for transdermal drug delivery is projected to be \$12.7 billion in the year 2005 and is expected to increase to \$21.5 billion in the year 2010. Apogee has designed its transdermal delivery system on a micro-electromechanical systems (MEMS) platform. It offers

multiple benefits in the use of proteins, vaccines and other large-molecule pharmaceuticals that currently provide therapies for the management of disease and chronic pain conditions.

MEMS devices, which are produced using high-volume semiconductor manufacturing techniques, surpass standard ICs in functionality due to the presence of very small mechanical devices, such as microphones and accelerometers, that sense and interact with the outside world. The extraordinary size reduction, system integration, improved reliability and performance afforded by MEMS technology delivers enormous value in a wide range of markets and applications, including automotive airbag systems, large screen televisions, inkjet printers, blood pressure sensors, hearing aids and optical switches.

“Participating in this leading-edge industry research with Apogee Technology is an exciting opportunity for our faculty and students to contribute value to a real-world application that could bring relief to millions of people,” said Dr. Bozena Michniak, Director of Laboratory for Drug Delivery at UMDNJ. “We anticipate that combining our drug delivery expertise and perspective in drug properties with Apogee’s technological insight and inventions will increase the likelihood of success for a new type of delivery mechanism that will benefit patients and the pharmaceutical and healthcare communities.”

Apogee Technology’s acquisition of MEMS intellectual property in 2004 has enabled accelerated design and development of products for worldwide markets. Since acquiring the IP portfolio, Apogee has quickly advanced the existing product design for a viable transdermal drug delivery solution. In November 2004, Apogee received the first engineering samples for its advanced design and those are now being tested at the Laboratory for Drug Delivery at UMDNJ. Other MEMS-based products now in development at Apogee are intended to address industrial and automotive sensor applications, with anticipated shipments in the second half of 2005.

About Apogee Technology, Inc.:

Apogee Technology is a fabless semiconductor company that designs, develops and markets silicon based products that incorporate proprietary technologies. The Company’s patented all-digital, high efficiency Direct Digital Amplification (DDX[®]) technology has been used by over 20 major consumer electronic brands in a wide range of audio products with over 30 million ICs sold. The company is developing new System-on-Chip (SOC) products using its analog and digital circuit designs, and proprietary Micro-Electromechanical Systems (MEMS) technology and manufacturing processes for the consumer, automotive, communications and medical markets. The Company operates a worldwide marketing and sales organization and has offices in the US, Hong Kong and Japan. For more information please visit our web site at: <http://www.apogeeddx.com>.

About the Laboratory for Drug Delivery, UMDNJ:

The New Jersey Center for Biomaterials is dedicated to improving patient care and public health through the development and commercialization of future generations of biomaterials. Since 1997, the Center has been building a nationally recognized resource in biomaterials and Biomaterials Science with a major emphasis on industrial interactions. The Center's scientific focus is on design, synthesis, characterization and fabrication of new materials for tissue engineering and drug delivery and on understanding cell-material interactions to develop new medical implants and devices. As a formal consortium of New Jersey's premier public institutions of higher education working closely with industry, the Center coordinates academic, technical and clinical resources to:

- Stimulate innovative basic and applied research in biomaterials science
- Foster novel and productive research teams and partnerships to address the cutting edge challenges in biomaterials science
- Support shared core facilities to enhance collaborative inter-disciplinary inter-institutional research
- Serve as a focal point for biomaterials education and professional development
- Facilitate technology transfer and the commercialization of innovative materials for biomedical applications.

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