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Apogee Completes Medical Laboratory To Develop Advanced Drug Delivery Systems

NORWOOD, Mass. (January 3, 2007) — Apogee Technology, Inc. (AMEX: ATA), an emerging micro-systems and nanotechnology company that designs, develops and commercializes medical devices and sensor products, announced today that it has completed the installation of a dedicated laboratory facility at its headquarters to support the research and development efforts associated with its Medical Products Group. This new capability and planned expansion in staff will be used to further develop Apogee's PyraDerm™ drug delivery system and enhance its pursuit of polymer drug formulations that can be applied to its transdermal delivery systems.

Dr. Alexander Andrianov, Apogee's Vice President of Research and Development said, "Our initial laboratory efforts will be directed toward developing advanced drug delivery formulations and supporting our proof of concept studies in vivo, or in living systems. With our new laboratory facility we will have the capability to perform formulation studies, produce samples for preliminary in vitro and in vivo testing, and provide real-time analytical and quality control support for our research efforts. By bringing this capability in-house we believe that we will significantly improve our control over the time and cost to perform our research and development activities, as well as better protect our intellectual property developments.

"Our Medical Products Group is focused on the development of advanced transdermal and intradermal delivery systems. In the regulated area, we are developing PyraDerm™, a proprietary micro-needle based device that is being developed to provide delivery of drugs and vaccines through the skin, thereby avoiding injection pain and, in certain cases, the shortcomings of conventional drug delivery. In the non-regulated area, we are developing other transdermal products for the delivery of cosmeceutical and nutraceutical active ingredients."

About Apogee Technology, Inc.

Apogee Technology designs, develops and commercializes proprietary medical device and sensor products using its MEMS and nanotechnology for the medical, automotive, industrial and consumer markets. The Company is developing its PyraDerm™ solution for enhanced intradermal drug delivery and has introduced a family of

pressure sensors under the Sensilica® brand. Apogee's goal is to provide value-added and cost-saving solutions for our customers and, in so doing, become a global leader in the sensor and medical device fields. For more information please visit our web site at: <http://www.apogeemems.com>.

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PyraDerm™ and Sensilica® are trademarks of Apogee Technology, Inc. All other product names noted herein may be trademarks of their respective holders. Certain statements made herein that use the words "anticipate," "hope," "estimate," "project," "will," "intend," "plan," "expect," "believe" and similar expressions are intended to identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks and uncertainties, which could cause the actual results, performance or achievements of the Company to be materially different from those that may be expressed or implied. Please refer to the company's risk factors as set forth in the Company's filings with the Securities and Exchange Commission, including its reports on Forms 10-KSB and 10-QSB.