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DFI and British LAKES Ltd. Sign Strategic License Agreement for UK Market

Company Signs 5-year License Agreement with British firm to expand its operations into key UK market, 2nd largest European economy

SAN CLEMENTE, Calif., June 5, 2008- Diamon-Fusion International, Inc. (DFI Nanotechnology), global developer and exclusive licensor of patented hydrophobic nanotechnologies, announced today the execution of a strategic license agreement with British company LAKES Ltd., a highly reputable UK firm based in Tewkesbury, Gloucestershire (England). This agreement represents the introduction of DFI's patented nanotechnology into the UK market, a significant development as DFI continues its push toward solidifying its market positioning in Europe. This strategic alliance also reflects the diversity of applicable markets DFI's proprietary processes reach, including a wide range of industrial market segments, from the architectural field to automotive and marine markets.

LAKES Ltd., a 22-year British privately-owned company originally established as a bathroom accessories manufacturer under the "Provex" brand, an Italian design, has significantly increased its market share and positioning in the UK as an innovator and trend setter by being the *very first company in the UK to include a protective surface treatment as a standard feature* across its entire product line. LAKES counts with a solid sales and distribution network throughout UK (England, Scotland, Wales and North Ireland) and Eire. The British economy has in recent years seen the longest period of *sustained economic growth* for more than 150 years, having *grown in every quarter since 1992* and being the second largest economy in Europe after Germany's, fifth largest in the world in terms of market exchange rates and sixth largest by purchasing power parity (PPP). The UK has been a member state of the European Union since 1973.

According to LAKES' Sales Director, Robin Craddock: "*We are thrilled to have reached agreement with DFI and are delighted to have teamed up with what we consider to be the world's leader in glass coatings. We are looking forward to growing the reputation of both LAKES and DFI here in the United Kingdom, bringing their advanced technology to a wide range of different audiences*".

Guillermo Seta, Executive Director of DFI Global Operations, stated: "*This new strategic alliance with LAKES for the UK market is in-line with our global growth strategy and it represents a very tangible progress toward our expansion goals within EU markets; it's always refreshing to be working with an organization that shares the same values of innovation and entrepreneurial spirit.*"

DFI Nanotechnology multi-functional characteristics include: water and oil repellency (*hydrophobic and oleophobic*), impact and scratch resistance, protection against graffiti,

dirt and stains, finger print protection, UV stability, additional electrical insulation, protection against calcium and sodium deposits and increased brilliance and lubricity. DFI's nanocoating works at nanoscale levels to change the molecular composition of any silica-based surface. Diamon-Fusion® provides, in chemical terms, a '*cross-linked*', '*branched*' and '*capped*' optically clear nano-film along with a strong and durable covalent bond.