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Q2 2024 ATOMERA INC EARNINGS CALL

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CORPORATE PARTICIPANTS

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- **Scott Bibaud** *Atomera Inc - President, Chief Executive Officer, Director*
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PRESENTATION

Mike Bishop *Atomera Inc - Investor Relations*

Hello, everyone, and welcome to Atomera's second quarter fiscal year 2024 update call. I would like to remind everyone that this call and webinar are being recorded and a replay will be available on Atomera's IR website for one year. I'm Mike Bishop with the company's investor relations.

As in prior quarters, where using Zoom and we will follow a similar presentation format with participants in a listen-only mode. We will open with prepared remarks from Scott Bibaud, Atomera's President and CEO, and Frank Laurencio, Atomera's CFO. Then we will open the call to questions.

If you are joining by telephone, you may follow a slide presentation to accompany our remarks on the Events and Presentations section of our Investor Relations page on our website.

Before we begin, I would like to remind everyone that during today's call, we will make forward-looking statements. These forward-looking statements, whether in prepared remarks or during the Q&A session are subject to inherent risks and uncertainties. These risks and uncertainties are detailed in the risk factors section of our filings with the Securities and Exchange Commission, specifically in the company's annual report on Form 10-K filed with the SEC on February 15, 2024.

Except as otherwise required by federal securities laws, Atomera disclaims any obligation to update or make revisions to such forward-looking statements contained herein or elsewhere to reflect changes in expectations with regards to those events, conditions, and circumstances. Also, please note that during this call, we will be discussing non-GAAP financial measures as defined by SEC Regulation G. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures are included in today's press release, which is posted on our website.

Now I would like to turn the call over to our President and CEO, Scott Bibaud. Go ahead, Scott.

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Good afternoon, and welcome to Atomera's second quarter 2024 update call. The last three months have been a very busy time at Atomera with extensive customer activity, strong product development results, recruiting of new team members on our first CHIPS Act funding submissions.

Today, I'm going to go a little outside of our usual format to give a comprehensive picture of the company. Given the current stock price, we sense that might be a feeling among investors that our technology, innovative development, and customer activity are somehow stalled. Nothing could be further from the truth. To that end, I'd like to take a look a little deeper into each of the market segments where our primary customers are making significant progress towards JDAs and our license agreement.

First, MST for power chip technology. Atomera continues to work very closely with ST Microelectronics on the next-generation smart power products and is making solid progress on a production release, which will result in compelling royalty revenue for Atomera. During this past quarter, we've had excellent cooperation, including in-person team meetings with the goal of optimizing device performance and developing a high volume manufacturing process.

The timing of this developmental effort is ST's proprietary information. But I can tell you that our teams have a very tight working relationship. We're meeting on a weekly basis and sharing a mutual goal of getting to production as fast as possible. This remains our highest priority. As you know, we are working with ST's smart power division, which belongs to the APMS Group, which had $1.9 billion in revenue for the second quarter of this year. So the potential of this business is very attractive.

The power chips segment of the semiconductor market overall was approximately $33 billion in 2023. So the opportunity represented by all our potential power customers is quite significant. Last quarter, I spoke about the large number of proposals Atomera has outstanding, and that number has continued to grow. I will highlight just one of those large and diversified customers who accelerated their work with us as a result of the ST announcement and are tracking towards integration into the next-generation devices.

After reviewing the details of our technology, this customer decided to license our MSTcad software and spent several months modeling how MST could improve their transistor performance. Simulations of their actual devices showed even better performance gains than we had claimed, which has led to a proposal for them for running wafers and licensing MST from us, which we hope to do in the coming quarters.

Next, the SOI market, which is a large and growing segment with sales of $1.4 billion in 2022 and a 15% growth rate going forward. RF-SOI makes the majority of SOI revenue today because of strong adoption in 5G cellular front ends, where growing bandwidth requirements make continued innovation to meet market needs, particularly challenging. Our announcement this month of a new MST substrate based on Soitec's leading RF-SOI technology, provided a major step forward solving a common problem among RF designers, which is detailed in my blog and Hideki's presentation at SEMICON.

Putting MST on Soitec's thin RF-SOI wafers gives the industry a solution that is easy to adopt and test as they develop next-gen products. Our customers specifically asked us to address this issue and streamline the supply chain, which is what this announcement was about. This higher-quality substrate will help speed their development, which is important to both them and to us. Atomera continues to work with the majority of RF-SOI wafer consumers. So we are very well positioned in this market.

Memory technology. DRAM remains a very large market segment of approximately $112 billion in 2023 or greater than 20% of the overall semiconductor industry. Atomera is working at various stages of adoption with more than one of the major memory manufacturers. Because of the somewhat commoditized nature of DRAM, these customers a laser focused on cost, which historically has made them late adopters of new materials that could affect yield or increased costs including via royalties.

Once adopted though, new materials technologies have long legs and wafer volumes are the highest in the industry. We're excited about the potential for our technology in this space because we believe it provides real die size and margin improvement potential for our customers, even after paying us a royalty.

[A gate all around] advanced node market is one of the largest by revenue and the smallest by device count approximately $150 billion in 2023, more than 28% of the overall semiconductor industry. Atomera is working with the major gate-all-around manufacturers on solutions for the leading nodes down to three nanometers. But we are also exploring development at the nodes leading from two nanometers down into the angstrom range.

The revenue potential for Atomera might be the highest in this market segment because the cost of leading logic chips is higher than other semiconductor products. Our MST technology could add significant value to these devices that are at the heart of the AI revolution, driving higher performance, lower power consumption, and better yield. On our website, we have white papers describing exactly how MST provides these benefits.

That said, we're not sure when we might be able to announce something specific in the gate-all-around sector, because the development programs are so large and the timeframes are so variable, but the interest in work is real and the upside for us is significant. In each of these segments, we are hopeful we will have JDAs or license agreements to announce in the coming quarters.

Now a quick update on our development in gallium nitride technology. Last quarter, we highlighted MST's ability to act as a relaxing layer relieving structural challenges posed by compound semiconductors. Early results give us great hope that MST can help solve the substrate quality and war problems endemic to GaN wafers, which has impeded more scaling in the past.

It might initially appear that GaN is a departure from our core business, but it is not. MST GaN would be applied in the manufacturing process in the same manner as the other applications we've already covered to improve the yield of a myriad of GaN related semiconductor products. The Power GaN market alone grew by 41% in 2023 and will likely increase at a CAGR of 46% over the next five years, potentially exceeding $2 billion per year by 2028.

Interest by potential customers and partners has been surprisingly strong. Indeed, we are already in discussions with four potential customers and partners. Because GaN is a material under investigation at most semiconductor companies these days, we see it as adding another dimension to our existing relationships, offering a smooth path to adoption. But it is early days, and our R&D team is still working to turn this into a full product release. We believe with this high level of customer interest, early revenues from MST GaN might be possible in the near term, even possibly later this year.

I'll go through other customer activities briefly. We continue working with JDA1 to move into a more definitive production program, but have not yet achieved this result. JDA2, however, is in active negotiations with us on a license, now that we have results from wafer runs completed in the last quarter. We hope to make this a comprehensive company agreement covering multiple technologies. Likewise, we continue to work with our other licensees to include MST in the next-generation process nodes through MSTcad and wafer runs.

In the last quarter, we've also started engaging on some new opportunities, including within existing customers. Progress in converting these engagements to licenses on the path to production has not met our expectations. We know that our ability to develop technology and to build customer interest has been excellent, but we need to do better at closing deals.

Recently, we've taken a hard look at our sales and marketing efforts to find ways to improve. As a result of this process, we decided to make changes that start with bringing on a new Head of Business Development and Marketing, Shawn Thomas. Shawn has the perfect background to help us take Atomera to the next level. Not only does he have a deep background in device technology, materials, and EPI, his detailed understanding of the challenges the industry faces and the relationships he brings will help Atomera more successfully convert our compelling technology into revenue-generating business.

Before wrapping up, I'd like to highlight one of our new technologies called MST-SPX targeting 5 to 48 volt transistors. On Friday, we released a white paper detailing what we've accomplished, but allow me to give a brief summary. We have found that combining MST with the advanced structures used in high-power transistors, allows us to achieve better performance than has been published by any other semiconductor maker. As seen in the chart on slide 5, where lower is better. This is pretty amazing stuff.

We've also calculated that it makes financial sense for our customer to implement MST at less than a 3% improvement in RSP. But what we're seeing and what we're showing on this chart show improvements between 15% and 30%, confirming that our technology offers best-in-class performance and compelling economics for next-generation powered chips. This is just one of the latest accomplishments from a team that continues to crank out impressive advancements across many different technology segments.

At SEMICON West earlier this month, Dave Thompson, Intel's VP of process technology and research gave a talk on the solutions the industry will need in the future for evolving transistor architectures. Virtually, all the examples he brought up, including source drain resistance, channel mobility, dopant control, gate dielectric issues, and even gallium nitride where things Atomera is working on. His message was clear, the industry sees increasing technical challenges moving beyond three nanometers and finding solutions will require a strong cooperative effort by ecosystem partners across the industry.

This is a type of statement that entirely validates the direction we've been taking at Atomera and shows the importance and potential of the work we're doing today. For this reason, we are very optimistic about the prospects of our company. Our ST engagement is progressing nicely and should form the base of our revenue starting next year. And each of the other segments I've outlined can grow on top of that base.

This past quarter, we also submitted our first of hopefully many proposals under the Chips and Sciences Act. Atomera's potential is being recognized across the industry, and it's only a matter of time before several of these potential opportunities turn into more business prospects for Atomera. We're working very hard to make that happen.

Now, Frank will review our financials.

Francis Laurencio *Atomera Inc - Chief Financial Officer*

Thank you, Scott. After the close of the market today, we issued a press release announcing our results for the second quarter of 2024. This slide shows our summary financials.

Our GAAP net loss for the three months ended June 30, 2024, was $4.4 million or $0.16 per share, compared to a net loss of $5.2 million or $0.21 per share in the second quarter of 2023. In Q1 of 2024, our GAAP net loss was $4.8 million, which was $0.19 per share. Revenues were $72,000 in Q2 2024 compared to $18,000 in Q1 and $0 in Q2 of 2023.

GAAP operating expenses were $4.6 million in Q2 of 2024, which was a decrease of approximately $730,000 from $5.4 million of OpEx in Q2 2023, mainly due to a $603,000 decline in R&D expenses, primarily reflecting the closure of our outsourced foundry TSI Semiconductor in the first quarter of this year. Sales and marketing expense decreased by $186,000, reflecting lower headcount, while G&A was relatively unchanged.

Sequentially, our GAAP operating expenses decreased from Q1 2024 due to the same factors that drove the decline as compared to Q2 of last year. Non-GAAP net loss in Q2 2024 was $3.6 million and compares to a loss of $4.3 million in Q2 2023. And as with our GAAP results, the smaller loss was primarily due to lower R&D and sales and marketing expenses. Sequentially, non-GAAP net loss declined by $363,000 from Q1 2024, due to our lower operating expenses as well as the $52,000 increase in revenue. The differences between GAAP and non-GAAP operating expense in all periods presented are primarily due to non-cash stock compensation expenses, which were approximately $1 million for each of the periods presented here.

Our balance of cash, cash equivalents, and short-term investments on June 30, 2024, was $18.3 million compared to $19.3 million at the end of Q1 2024. During the most recent quarter, we used $3.2 million of cash in operating activities compared to $4.1 million in the first quarter of this year. During Q2, we sold approximately 669,000 shares under our ATM facility at an average price per share of $3.82, resulting in net proceeds of approximately $2.4 million. As of June 30, we had 27.6 million shares outstanding.

Revenue in Q2 was $72,000 and consisted of $50,000 of engineering services revenue from shipment of wafers to a customer in Phase 3, and the balance from recognizing three months of MSTcad license revenue. For Q3, we expect our total revenue will be approximately $20,000 consisting of MSTcad license revenue. As we've stated previously, the next major revenue milestone under our agreement ST will be the grant of the distribution license upon completion of their qualification process, which is largely dependent on an ST's development schedule, in which we have limited ability to control. Accordingly, I cannot provide guidance on the timing for recognizing this license revenue from ST.

Moving to our expense guidance, our operating expenses so far this year came in substantially lower than we had budgeted due to lower R&D spending on account of the loss of TSI and lower sales and marketing headcount. So for the full year, we now expect our OpEx to come in lower than my previous guidance. We expect the 2024 non-GAAP operating expense will be in a range of $16.25 million to $16.75 million.

In addition, to our recent business development higher, we expect to add at least one more headcount this year in sales and marketing to help accelerate closing deals. We are also planning to add engineering headcount to ensure coverage of all our technology areas into support converting customers to production.

With that, I'll turn the call back over to Scott for a few summary remarks before we open the call up to questions. Scott?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Thank you, Frank. Atomera continues to make strong progress and we are confident that we will convert more of our many customer engagements into license and production opportunities in the near future. As I said earlier, ST should form a revenue base for our business, while the other exciting segments discussed today will help us to build a diversified, sustained business around that first deal.

Thanks as always for your support. Mike, we'll now take questions.

QUESTIONS AND ANSWERS

Mike Bishop *Atomera Inc - Investor Relations*

(Event Instructions) Richard Shannon, Craig-Hallum.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Great. Thanks, Scott. Frank, thanks. Let me ask a few questions here. Let's hear, maybe just to follow on an important topic for the last year was announcement of ST. Your language didn't really say anything about to expectations relative to your initial commentary about how long this would take. Is it fair to say that that timeframe is still in play here or no changes as far as you know? Or how would you characterize that given you're limited in vurv as you can tell us, Scott?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Yes, I think that it's a challenging question to answer, Richard. So as I said in my prepared remarks, ST owns the schedule for this. They specifically asked us not to talk about the schedule. So to the extent I say anything about my original estimate, which was an estimate about what I thought, a typical company would do then I'm kind of -- as I saying they're running behind on top or after that. What I can say is that we are -- all of us are working to push this thing into production as fast as possible, both them and us. And we're working very closely together. And I think progress is going very, very well.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Okay. We'll have to have to accept that and hopefully look forward to some more final news at some point in the near future. Thanks for that, Scott.

Second comments you made here in the prepared remarks are interesting related to JDA2. You said you're in active negotiations after some good testing results. Any more detail that you can offer there? And then maybe give us perspective of other negotiations you've been in the past? I know that there are never short, but any characterization you can suggest at what might be normal for a length of time before getting to a satisfactory result?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

First of all, I think on the last call, we mentioned that we had gotten some early peak at some data from JDA2 that looked promising. We ended up getting to see the rest of that data and it did actually come in and looked very good. And so there is interest on both sides to try to move this forward into a license or an agreement. And our goal is to really make that a license that enables them to use our technology across any of the technologies that they have in their company.

As to the timing of negotiating a contract, it's very hard to say. I mean, the challenging thing is when you're working with very, very large companies, they tend to have a bit of a bureaucratic process of licensing technologies in with decision makers in a lot of different places that have to be touched. In the past, we have negotiated some licenses that have gone pretty quickly and only a matter of a few months, and then we've had others that have taken much longer.

I wouldn't say that they take a long time because there's like super hard negotiations and we're at loggerheads and can't reach agreement. It's more usually the case where we submit a proposal, they have to get agreement from a bunch of different groups to negotiate the next step on that. It takes time to organize that. And so generally, our turnaround on any proposal they make to us is in a day or two, and their turnaround can be much longer, so hard to predict.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Okay. Probably not unexpected, but look forward updates here on that one soon. So good to see some progress there.

Let's hear, next question is on RF-SOI. You made an interesting press release a few weeks ago about some breakthrough on some very thin wafers. I guess we've been hearing from you on the very strong testing results for years in this area. And based on the last call plus this press release you mentioned here, it seems like this is a pretty major breakthrough in terms of maybe getting to -- getting closer to a license for which I know you've working with the majority of the wafer starts in the industry here.

Is this a fair way to characterize what you think is going on? Is it too early to tell or just any characterization of the potential here, especially from a timing perspective in that space that's been seemingly active for so long?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

I would say, the evolution of the solutions that we've had in RF-SOI have come some ways over the years. In the last more than a year, we've known about using much thinner wafers to start putting our MST down on, and we have been thinning those wafers ourselves or our customers have been thinning those wafers, so that we can put the MST down.

But it's a challenge to thin RF-SOI wafers because there causes some quality issues on edges of the wafers. And so this announcement that we are working with Soitec to make those very thin wafers is a very important one. It takes the development substrates that we're working with kind of out of the R&D lab and into something that could be a production quality device.

Will that help make people move faster? I think it absolutely will. You're asking about whether it'll help them move to licenses. I can tell you that our customers who are saying, hey, this is something we're worried about, we want them know whether there'll be a production quality substrate for us to work for. And this kind of provides the answer. And so it lowers the barriers for people adopting MST for this exact solution.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Okay, fair enough. Good to hear. Maybe a couple more questions from me. I'm not sure if I heard or got the language right here when you were discussing on your prepared remarks about gate-all-around and DRAM. I know that you've heard specifically the gate-all-around is something that's going to take some time, which I don't think is a big surprise to anybody. Is the timeframe for DRAM something similar in terms of length of time or is that something that you could see being shorter and more predictable?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Yeah, not easy to predict right now, but with DRAM, they tend to come out with new nodes every, I think every 18 months. Very quick, I mean, they have -- they constantly have a node ramping up, a node in volume production and a node ramping down. Because as I said in my remarks, DRAM is so cost focused that a small cost advantage makes sense to bring into production. So I do believe that with the DRAM guys, you have a chance to get designed in and get into production faster than some of the other ones, because they're constantly turning their process nodes.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Okay, that makes sense, very interesting. Maybe I'll follow up on that one a little bit later, an interesting topic there. Two questions for me. One for each of you, Scott, the last one for you is related to GaN here, I think your comment was that various approaches to enabling that business, but at least one of them could generate some revenues before the end of the year. Maybe you could elaborate on exactly what you mean there and how that would happen?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Yeah, absolutely. And I think it's important to understand, this is not even a released product from us yet. We only got our first results earlier this year, but we've gone out and shown our test results to a number of potential partners and there's a lot of interest. So, I think there's a decent chance that we will be able to make wafers for development purposes for our customers and maybe sell them some of those wafers before the end of this year. So, it's not going to be revenue that's like significant game changing revenue for us, but it would be a signal that people are very interested in potentially adopting what we have.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Okay. Are these GaN on silicon or GaN silicon carbide or GaN on GaN?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

It's GaN on silicon, and what we're doing is we're putting MST on the silicon and before they grow the GaN, and when they grow the GaN and of course, there's a bunch of intermediate layers that they grow before then that the quality of the GaN that ends up on the top is much higher than what they would get without the MST.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Okay, makes sense. Last question from me, and I'll jump out of line. For Frank here, just quickly on the OpEx a lower number here for the year, and I think your reasons make sense here. I guess my question is with the recent hire you announced plus a couple more that you've mentioned here today. So would you expect to see a run rates or a total number for next year maybe close to that range you had before, or how would you characterize those new ads coming in later this year?

Francis Laurencio *Atomera Inc - Chief Financial Officer*

I think that we'll see kind of going into next year a run rate similar to kind of the guide that we gave at the beginning of the year. So, we had a top end of that guide at around $17.25 million, when we went into the year. And so we don't give a specific guide beyond kind of the current year, but you're right to think about it as kind of normalizing it with the -- I think the big variable there still remains the foundry replacement. Because absent doing that, the R&D line would still remain below kind of where it was at the beginning of the year.

And in the past, our outsourced foundry spend was around between $1 million and $1.5 million a year. I'm not saying that we're going to bounce back to that level, but some of that will come back in when we have a TSR replacement.

Richard Shannon *Craig-Hallum Capital Group LLC - Analyst*

Okay, makes sense. That's all the questions for me, guys. Thank you.

Mike Bishop *Atomera Inc - Investor Relations*

Thank you, Richard. And a few questions coming in on the Q&A line here. The first one is about the CHIPS Act. And the question that CHIPS Act is obviously has announced a while back and the question is, why are the proposals for the CHIPS Act only now being pursued?

Francis Laurencio *Atomera Inc - Chief Financial Officer*

Yeah. I'll take that one. I was very involved in the submission that we did just last week actually. So the CHIPS Act money kind of came in waves, first was focused on large scale manufacturing facilities to bring sort of a supply chain and the manufacturing of chips back on shore. The second was kind of a recognition that even if you did that, you still had a big reliance on overseas package for chip packaging. So packaging was kind of wave two.

And now, we're seeing a move towards development of new materials technologies, specifically the call for proposals that went out, which was still just an early kind of call for topics where ones that expressed an interest in a bunch of compound semiconductor areas relevant to the DoD. And as such, these are things that would be very relevant to our work on compound semiconductors and specifically began on silicon that Scott was just talking about.

So I think it was the first time that we found a very relevant match. That being said, we expect to see more funding proposals and we'll be responding to those. And these are things that you do in partnership with others. So going through the process, what we've observed is as our name gets in and gets known among some of these agencies by responding to a relevant proposal, we should see more even outbound interest towards us. And that's certainly something we're hoping for.

Mike Bishop *Atomera Inc - Investor Relations*

Okay. Thanks, Frank. Another question is about the pursuit of deals and the questions. Why now to push for -- to close deals, shouldn't there have been urgency all along?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Yes. I mean, I think we've always had urgency to close deals. I do say, I do think we perhaps thought that we were doing all the right things, and sometimes you have to sit back and say, all right, we're not doing the right things and what is going wrong? And also, at some point, regardless if you know exactly what's going wrong, you have to make some changes. And I think, sometimes after you make those changes, it becomes clear to you what would've been wrong in the past.

And I think to a certain extent, we're in that spot. I would say right now we have more proposals out than we've ever had in that past. And so, now having the ability to accelerate closing of them will have even a bigger bang for buck than it did before. But yes, I'm very excited about the capabilities that Sean is bringing the team. Just in the past week and a half that we've had him on board, it's very clear that he can go and talk to people that and help in ways that our prior team couldn't. And so, I'm really optimistic that's going to make a big difference.

Mike Bishop *Atomera Inc - Investor Relations*

Okay. And another question here is about ST and the question is what are the barriers to ST going to production? And did they have the design kit -- the PDK formalized and what's involved in qualification?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Yes, I think in the investor deck, I show the process of going to production to high level for most semiconductor players. And I don't think ST is significantly different. As you're developing your PDK, you're trying a number of things, usually in simulation software, in our case, in MSTcad, and then you're taking those simulations and you're designing chips that you can put on wafers and then run them through production, and then test to see if you get good results.

And usually as you're making a PDK, you go through several cycles of learning of that, where you run some and you get good results, you make more tweaks to get better results, and you make more tweaks to make better results. And then finally, you're at the point where you lock down a PDK. And then, once you have the PDK, then the companies will typically go into a process qualification where now they're really just running wafers to solidify the production process. I mean, remind me of the question, Mike. Was the question is ST --

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Mike Bishop *Atomera Inc - Investor Relations*

The barriers to basically towards commercialization, if --

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Yeah, I don't think there's any barriers in here. The only thing is it takes time and effort to do this. Of course, if the company had set a goal of achieving a certain level of improvement before they'd go to production, that would be a barrier. I think that's one of the big things that MST is doing. It's bringing the ability to our customers to really exceed the level of improvement that they had thought they could achieve. And so we're very confident that that will allow them to move forward. I wouldn't necessarily call it a barrier, but I guess you could think of it that way.

Mike Bishop *Atomera Inc - Investor Relations*

Okay, great. Regarding, RF-SOI, do recent developments with Soitec increase the probability of getting to market, while maybe pushing back the timeline?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

I don't think they make -- I think they would improve the likelihood that some of our customers would go to market, as I was talking to Richard about before. Our customers would be very pleased to see a quality company like Soitec offering a thinned, SOI wafer like this in production that they could deposit MST on top of. And so that's removed one of the concerns they have, and therefore, I think it will speed time to market, but I don't think it pushes any of the time to market out.

Mike Bishop *Atomera Inc - Investor Relations*

Okay. Do you have an update on the foundry license that you've previously discussed?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

I think I said in my prepared remarks that for the foundry, we are continuing to work with them on moving our technology into to make it adopted by the next generation process node release.

Mike Bishop *Atomera Inc - Investor Relations*

Okay. And is there an update on the TSI replacement?

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Yeah. So for the TSA replacement are looking at multiple different companies to do that work whereas of TSI really concentrated on the process node they had. What we're finding as we go to the market is that there's a number of different vendors that can provide as with some services. And each of them has a different suite of process nodes that are attractive to us. So it looks like we'll probably be engaged with multiples of that. We're already working with more than one. And we will probably end up working with a basket of companies instead of one main company like TSI for R&D partner.

Mike Bishop *Atomera Inc - Investor Relations*

Okay. And that wraps up the questions, Scott. So if you want to make your closing comments.

Scott Bibaud *Atomera Inc - President, Chief Executive Officer, Director*

Sure. Well, thanks, everybody, for joining us to hear the progress being made within Atomera. Please continue to look for our news, articles, and blog posts, which are available along with investor alerts on our website, atomera.com. Should you have additional questions, please contact, Mike Bishop, who will be happy to follow up.

Thank you again for your support, and we look forward to our next update call.

Mike Bishop *Atomera Inc - Investor Relations*

Thank you. This concludes the Atomera second quarter 2024 conference call.

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