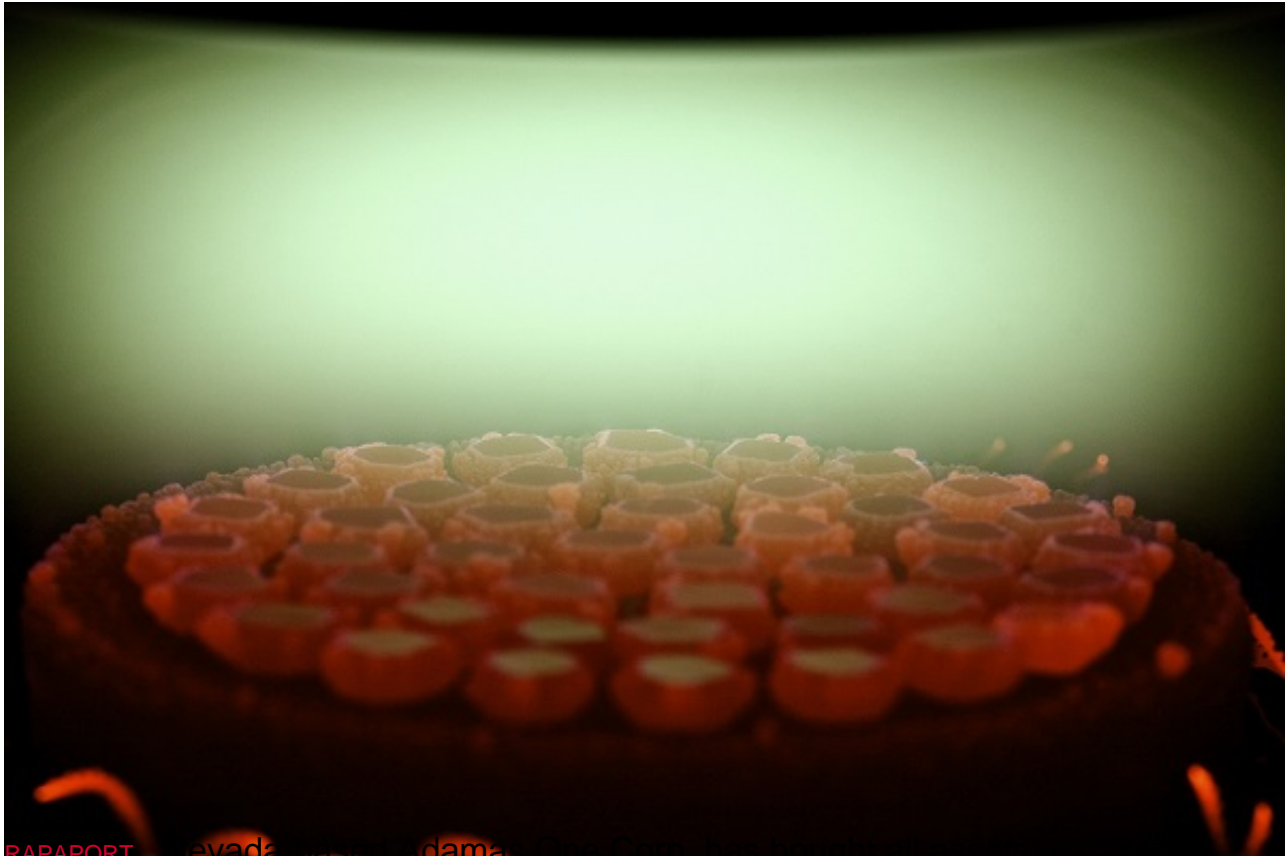


Adamas Acquires Synthetics Producer Scio



RAPAPORT... Nevada-based Adamas One Corp. has bought all assets belonging to Scio Diamond, a producer of lab-grown diamonds.

Adamas will pay \$3.3 million over 18 months to cover Scio's secured debt, according to a December 11 filing with the US Securities and Exchange Commission. Scio will also receive 350,000 shares of Adamas stock, which it will use to settle its unsecured debts of more than \$3 million, the filing added.

South Carolina-based Scio produces synthetic diamonds using chemical vapor deposition (CVD), and was one of the founding members of the International Grown Diamond Association. Its owners will receive an additional 900,000 Adamas shares once the liquidation of Scio is complete, and will be able to sell that stock gradually over the two years following the deal's closure, the filing added.

The transaction is subject to approval by Scio's shareholders.

Image: Diamond seeds growing in a reactor. (Scio Diamond)