



NEWS RELEASE

For Release October 31, 2011

GADC Contact: Tony Smith, 864.235.2008
tonysmith@greenvillecounty.org

Scio Contact: Joseph Lancia, CEO, 864.346.2733
jlancia@sciodiamond.com



The Upstate's Newest Gem: Scio Diamond Technology Corporation Establishes HQ, Manufacturing Facility in Greenville

Plans Expected to Create at Least 70 New Jobs

GREENVILLE COUNTY, SC – October 31, 2011 – The South Carolina Department of Commerce and the Greenville Area Development Corporation today announced that Scio Diamond Technology Corporation (**OTCBB: SCIO**) will establish its corporate headquarters and manufacturing operations in Greenville County. The undisclosed investment is expected to generate 70 new jobs over the next five years.

Scio Diamond employs a patent-protected chemical deposition process to produce high-quality, single-crystal diamonds in a controlled laboratory setting, with such diamonds referred to as "lab-grown" or cultivated diamonds. The diamonds have the identical chemical, physical and optical properties as any diamond found in the earth, and the company's highly controlled manufacturing process enables it to produce very high-quality, high-purity, single-crystal colorless, near colorless and fancy colored diamonds.

"Before deciding to locate here in South Carolina, we considered several locations for our corporate headquarters and manufacturing facility," said Joseph Lancia, President and CEO of Scio Diamond Technology Corporation. "We are pleased to move forward with plans to establish our home here in Greenville County. It was right here that we found the ideal balance of business-friendly climate, access to talent, entrepreneurial drive and exceptional quality of life. We expect that Greenville County will provide us with the perfect mix of ingredients for success."

Scio is in process of upfitting a 9,300-square-foot section of the \$10 million NEXT Innovation Center development, at the corner of Church Street and University Ridge, which already houses a variety of entrepreneurial organizations and technology companies. More than 6,000 square feet will be dedicated to a secure manufacturing facility, providing sufficient space for 18-20 diamond growing reactors, supporting equipment, plus laser and polishing operations.

“Today’s announcement is another indication that South Carolina is a highly-competitive location for businesses to set up shop. We celebrate Scio’s decision to locate its new operations in Greenville and create 70 well-paying jobs,” said Gov. Nikki Haley.

The relocation of equipment and operations from its current Boston, Massachusetts home is expected to begin early in first quarter 2012, noted Lancia. Growing reactors will be going through testing and maintenance until they are shipped to their new Greenville home, and machines will be hooked up and recalibrated upon arrival. The facility plans to come fully online and into the growing and production process by second quarter of 2012, he added.

“In South Carolina, we are great at making things and manufacturing continues to play a crucial role in our state’s economy. Announcements like this further strengthen our reputation in the manufacturing sector,” said Bobby Hitt, Secretary of Commerce.

The facility will focus on maximizing production yield of diamonds for a variety of uses and applications, according to Scio Chief Operating Officer Mike McMahon. “Our ability to manufacture diamonds that meet the needs of both the gemstone market and for industry in a wide range of verticals is very exciting,” McMahon added. “From medical equipment to manufacturing, advanced materials to water purification, the applications for Scio diamonds are perhaps limited only by our production capacity and our imaginations.”

Current development projects utilizing Scio’s diamond materials include applications with lasers, in quantum communication and computing, in high-voltage power switching, and with water treatment and purification systems, Lancia noted. The company has even created a diamond laser scalpel for use in surgery.

“We’re pleased that Scio Diamonds has chosen to locate their headquarters and manufacturing operations in Greenville County, and appreciate the valuable roles played by partners including Greenville County Council, the City of Greenville, Duke Energy, and the Greenville Chamber’s NEXT initiative in making this happen,” said Chris Riley, chairman of the Greenville Area Development Corporation. “Scio Diamond’s decision is an important affirmation of this region’s focus on attracting, developing and growing technology- and knowledge-based manufacturers and businesses of all types.”

“With NEXT’s focus on building an entrepreneurial ecosystem and innovation hub by nurturing knowledge-based companies in the Upstate, Scio Diamond appeared on our radar early,” noted John Moore, executive vice president of the Greenville Chamber of Commerce and leader of the Chamber’s NEXT initiative. “From working closely with Scio executives to encourage consideration of Greenville, to facilitating introductions to public sector officials and other regional CEOs, this is precisely the kind of organization we all seek to attract to Greenville.”

The state of South Carolina provided the company with job development credits, which will be available when hiring targets are met.

Included among the jobs to be filled by Scio Diamond are growers, materials handlers, chemical engineers, as well as a range of corporate headquarters positions. Job inquiries may be directed to the company beginning January 1, 2012 by visiting the company online or emailing jobs@sciodiamond.com.

###

About Scio Diamond

(OTCBB: SCIO) SCIO DIAMOND TECHNOLOGY CORPORATION is based in Greenville, South Carolina. Scio Diamond employs a chemical deposition process to produce high-quality, single-crystal diamonds. Diamond materials are grown in a controlled laboratory setting. As such, Scio refers to its laboratory grown diamonds as “lab-grown” diamonds.

Scio lab-grown diamonds have the identical chemical, physical and optical properties as any diamond found in the earth. Through a highly controlled manufacturing process Scio is able to produce very high-quality, high-purity, single-crystal colorless, near colorless and fancy colored diamond. Scio’s technology permits it to produce lab-grown diamond in size, color, and quality combinations that are rare, if at all present in nature. Diamonds are now being offered in limited quantities as jewelry and in the technology arena as the material operating system of the future.

The Greenville Area Development Corporation is a non-profit organization established by Greenville County Council to promote and enhance the economic growth and development of Greenville County. Since its founding in 2001, GADC efforts have resulted in the creation of more than 12,000 new jobs and more than \$2.3 billion in capital investment in Greenville County. To learn more, visit www.goGADC.com or call (864) 235-2008.