

For immediate release January 12 2007

Arasor Secures Purchase Order from Oerlikon for Optical Chips used in Laser Displays

With the first laser televisions expected to go on sale in the second half of 2007, Arasor International Limited (ASX:ARR) has been named a supplier and secured an initial purchase order to deliver periodically poled lithium niobate (PPLN) optical chips to Oerlikon Optics, a business unit of the Oerlikon Group of companies (SWX:OERL). Oerlikon Optics is a leading manufacturer of optical thin-film products that supplies the world's largest television manufacturers.

Dr Simon Cao, CEO of Arasor, states "we are excited to have secured this purchase order from Oerlikon on the back of a successful unveiling of the laser television prototype earlier in the year. This contract marks another significant achievement for us and further validates the utilization of our optical chip technologies into the consumer marketplace," he concluded.

The laser television prototype is an example of next generation laser-based display applications which delivers an exceptional viewing experience and is in advanced prototype testing with several of the world's leading television manufacturers.

Arasor's PPLN optical chips are an essential enabling component of the laser source that powers the laser television and can also be used in a wide range of additional applications such as laser-powered projectors and remote controls.

Founded in late 2001 by recognized leaders in the optoelectronics industry, Arasor provides solutions to a global customer base operating in the optical networking, wireless communications, and emerging laser-based display industries.

About Arasor International Limited

Arasor International Limited develops and markets optical chips, components, modules and subsystems to capitalize on the emergence of new applications for photonic technologies. Under the leadership of one of the strongest management and engineering teams in the optoelectronics industry today, Arasor aims to establish itself as a leading optical solutions company serving Chinese and global systems vendors in the wireless and network transport industries. Arasor's worldwide headquarters are located in Mountain View, California, USA with operations in Guangzhou, China; Shanghai, China and Yokohama, Japan. For additional information: www.arasor.net.

About Oerlikon Components Optics

Oerlikon Components Optics is a recognised technical leader in the consulting, prototyping and volume production of optical thin-film products. Oerlikon Optics is headquartered in the Principality of Liechtenstein with operating facilities in Golden, Colorado (USA) and Shanghai, China. Oerlikon Optics is a business unit of the Oerlikon Group of companies (SWX:OERL) which is headquartered in Pfaffikon/SZ, Switzerland. Oerlikon worldwide employs around 6,400 individuals and achieved sales of CHF 1,605 million in 2005.

For further information please telephone:

Scott Wilkie Director of Operations & Investor Relations (Australia) + 61 400 118 100

or

Viv Hardy 0411 208 951 Callidus (Public Relations)