



W. WWW.CALNANOCORP.COM
E. INFO@CALNANOCORP.COM
P. 562.991.5211
F. 562.926.6913

CALIFORNIA NANOTECHNOLOGIES ANNOUNCES POSITIVE CASH FLOW FOR Q2/F2019 & NEW SPS CONTRACT

- ◆ Q2 revenue increase of 127% from previous year
- ◆ Q2/F2019 operating cash flow of approximately \$24K
- ◆ New contract from National Lab valued at \$280K

TSX VENTURE: CNO
OTCQB: CANOF

LOS ANGELES, CALIFORNIA, October 16, 2018 - California Nanotechnologies Corp. ("Cal Nano" or the "Company") is pleased to announce revenues of US \$175,170 for Q2/F2019 ending August 31, 2018. This is an increase of 127% compared to Q2/F2018. Cash flow provided by operations was US \$24,364. This represents the third consecutive quarter with positive cash flow, which is the first time this has happened in the Company's history. Full results are posted on sedar.com.

The Company would also like to announce it has received a purchase contract valued at \$280,000 from its National Lab customer. The program involves the continued development and scale-up of nuclear fuel components using SPS technology. Along with this contract, the Company has also received over \$50,000 in new orders from its large aerospace and major chip fabrication customers, both of which are focused around SPS.

Continuing the Company's extensive engagement in the materials science community, Cal Nano will be attending the MS&T 2018 Conference (Materials Science & Technology) in Columbus, OH from October 15-18, 2018. "The Company will continue to be part of the latest developments in the material science industry and spark plasma sintering. We will also take the opportunity to meet with many current and potential customers." said Interim CEO Eric Eyerman.

For further information, please contact:

Eric Eyerman, Interim CEO
T: (562)-991-5211
E: info@calnanocorp.com
W: www.calnanocorp.com

Reader Advisory

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to the expected future performance of the Company. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, governmental regulation, including environmental regulation; unanticipated operating events or performance; failure to obtain industry partner and other third party consents and approvals, if and when required; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; competition for, among other things, capital, skilled personnel and supplies; changes in tax laws; and the other risk factors disclosed under our profile on SEDAR at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.