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CALIFORNIA NANOTECHNOLOGIES ANNOUNCES RECORD REVENUE FOR FISCAL YEAR AND FINALIZATION OF LARGE SPS PURCHASE

- ◆ **Annual revenue over \$560,000 US, up approximately 30%**
- ◆ **Production-Scale SPS equipment purchased**
- ◆ **Company approved for Bluesky Publication in US**
- ◆ **Company exhibits at 146th Annual TMS 2017 Conference**

TSX VENTURE: CNO

LOS ANGELES, CALIFORNIA, March 6, 2017 - California Nanotechnologies Corp. ("Cal Nano" or the "Company") is pleased to announce record revenue for fiscal year 2017, which ended February 28th, 2017, of approximately \$560,000 US. This is an increase of approximately 30% from the preceding fiscal year. In F2017, 55% of these revenues were in the Spark Plasma Sintering ("SPS") division, 28% are in the Sports and Recreational division, 14% are in the Research and Energy division, and 3% are in the Aerospace division. "The SPS division represents the 'powder to part' technology being developed by the company," stated David Grant, Chairman and Interim CEO. "This division represents the fastest growing technology at Cal Nano and will require the most significant investment in the near future."

"Of particular significance, in mid-January 2017, the Company delivered the first working prototype to its tier one semiconductor design and fabrication customer for testing and evaluation," stated Eric Eyerman, COO. "This milestone was critical to proceeding with phases 2 and 3 of this important program. Based on this success, the Company has finalized the purchase of a large SPS required for the production phase of this and other large programs."

This large SPS unit is scheduled to be delivered in the fall of 2017. "This major investment will increase the Company's production capabilities significantly and will be a major asset in supporting several growing projects, including the program with a major tier one semiconductor design and fabrication company. If phase 2 of the semiconductor program is approved, we anticipate strong revenue growth in F2018." stated COO Eric Eyerman.

The company has been notified that its application for Bluesky Exemption (as provided by Mergents in the US) has been approved and is scheduled to be published in the Mergent Manuals and News Reports dated March 7, 2017.

Continuing the Company's extensive engagement in the materials science community, Cal Nano exhibited at the TMS 2017 Conference (Minerals, Metals, and Materials Society) in San Diego, CA from February 27th to March 1st, 2017. "The Company saw a significant amount of interest in both research and development and potential production work for its new large SPS machine." said SPS Division Manager Brian Weinstein.

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