



# News Release

TSXV, Tier 1: "NTS"  
OTCQX: "NTSFF"

## ***Nanotech Security Corp. Announces \$12.0 Million Bought Deal Financing***

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**VANCOUVER, British Columbia – April 27, 2017** – Nanotech Security Corp. (TSXV: NTS) (OTCQX: NTSFF) is pleased to announce it has entered into an agreement with a syndicate of underwriters led by Haywood Securities Inc., and including Echelon Wealth Partners Inc., Canaccord Genuity Corp. and GMP Securities L.P. (collectively the "Underwriters") under which the Underwriters have agreed to purchase, on a bought deal private placement basis 10,434,783 common shares (the "Common Shares") of Nanotech Security Corp., at a price of \$1.15 per Common Share (the "Offering Price"), for aggregate gross proceeds of \$12,000,000 (the "Offering").

The Company has agreed to grant the Underwriters an option (the "Over-Allotment Option") to purchase up to an additional 1,565,217 Common Shares, at the Offering Price, exercisable in whole or in part, at any time up to 48 hours prior to the closing of the Offering. If the Over-Allotment Option is exercised in its entirety, an additional \$1,800,000 will be raised pursuant to the Offering and the aggregate gross proceeds of the Offering will be approximately \$13,800,000.

Net proceeds from the Offering will be used to:

- simplify and improve Nanotech's capital structure by redeeming the \$4.2 million of convertible debentures that bear an interest rate of 12% per annum and are convertible at \$1.25,
- to increase production capacity for KolorOptik® images and optical thin film, increasing and improving image mastering size and detail and potential technology partnerships, and
- strengthen the balance sheet for working capital and general corporate initiatives.

Nanotech CEO Doug Blakeway comments, "This financing puts Nanotech in a very good position to execute on growth opportunities that could accelerate the growth of the Company significantly over the near term. We are excited about contract prospects across several end-markets including our unique nano-optical image technology as well as our commercially proven thin film colour-shifting technology."

The Common Shares will be offered by way of a private placement to qualified investors in such Provinces of Canada as the Underwriters designate, and otherwise in those jurisdictions where the Offering can lawfully be made under applicable private placement exemptions. The securities to be issued under the Offering will have a hold period of four months and one day from the closing date of the Offering.





The Offering is expected to close on or about May 17, 2017 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange and the applicable securities regulatory authorities.

### **FORWARD LOOKING STATEMENTS**

This news release contains forward-looking statements about the proposed financing. Forward-looking statements are frequently, but not always, identified by words such as “expects”, “anticipates”, “believes”, “intends”, “estimates”, “predicts”, “potential”, “targeted” “plans”, “possible” and similar expressions, or statements that events, conditions or results “will”, “may”, “could” or “should” occur or be achieved. All statements, other than statements of historical fact, included herein including, without limitation; statements about opportunities that could accelerate the growth of the Company, the exercise of the Over-Allotment Option, the closing date and use of proceeds are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements made in this news release are qualified by risk factors contained in our public filings at [www.sedar.com](http://www.sedar.com) and there can be no assurance that actual results or developments that we currently anticipate, including completion of the financing, will be realized. Nanotech disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This news release is not an offer to sell or the solicitation of an offer to buy any securities in the United States or in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities described in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold within the United States absent registration or an applicable exemption from the registration requirements of such laws.

### **About Nanotech Security**

Nanotech Security Corp. has been a leading innovator in the design and production of advanced banknote and commercial branding authentication products. Nanotech’s *KolourOptik*® and *Plasmogram*™ products are nanotechnology based optical imaging product platforms originally inspired by the unique optical properties of the iridescent wings of the Blue Morpho butterfly. Our nano-optical products produce intense, high definition optically-variable images and colour-shift optical thin films. Activated by a simple tilt or rotation, with higher resolutions than the best LED-displays, they are ideal for authentication of currency, passports, and identification cards in addition to distinguishing branded goods from counterfeits.

Additional information about Nanotech can be found at the Company’s website [www.nanosecurity.ca](http://www.nanosecurity.ca), the Canadian disclosure filings website [www.sedar.com](http://www.sedar.com) or the OTCMarkets disclosure filings website [www.otcm Markets.com](http://www.otcm Markets.com).



