

Nanotech Announces Significant Investment in JEOL EBL Lithography System

VANCOUVER, British Columbia – May 9, 2018 – Nanotech Security Corp. (TSXV: NTS) (OTCQX: NTSFF) ("Nanotech" or the "Company"), a leading innovator in the research, creation and production of nano-optic structures and colour-shifting materials used in authentication and brand enhancement, announces it has made a significant investment in the acquisition of a JBX 6300FS 100kV Jeol electron beam lithography system ("Jeol EBL"). Valued at over \$4.4 million, Nanotech was able to acquire the system at a significant discount by being the first private sector company in Canada to make such an investment.

Operated by Nanotech's proprietary algorithms, the Jeol EBL will enable the Company to fabricate more advanced nano-structures with even higher resolution and contrast and the potential to generate image sizes up to 9 times larger with production estimated to be up to 10 times faster than the Company's current capabilities.



JBX-6300FS Operation Console.

This investment represents the progression and execution of Nanotech's growth strategy on multiple fronts. It allows the Company to enhance its product offering and expand development capabilities with its existing banknote customers as well as opens up a considerable range of offerings in the tax stamp and packaging markets. "The Jeol EBL accelerates and enhances Nanotech's research, development and production in existing and emerging markets," said Nanotech CEO Doug Blakeway. "It establishes Nanotech as the nucleus for excellence in nano-optics for authentication and brand enhancement."



JBX-6300FS Main Console.

Nanotech's strong relationship with 4D LABS and Simon Fraser University enabled the Company to house the Jeol EBL within their 7,500 sq.ft. state-of-the-art class 100 clean room. "Access to Nanotech's Jeol EBL system establishes us as the first university in Western Canada to have this capability," said 4D LABS Director Neil Branda. It allows us to be seen as a world-class facility with leading-edge program capabilities in advanced nanoscale design and development."

Forward-looking statements

This news release contains forward-looking statements which involve risks and uncertainties. These forward-looking statements relate to future research and development capabilities and the ability to penetrate new markets. When used in this news release, words such as “plan”, “expect”, “pursue”, “will”, and similar expressions or statements generally identify forward-looking statements. These statements reflect our current expectations but are subject to the numerous business risks outlined in our public filings at www.sedar.com.

About Nanotech

Nanotech researches, creates and produces nano-optic structures and colour-shifting materials used in authentication and brand enhancement applications across a wide range of markets including banknotes, tax stamps, secure government documents, commercial branding, and the pharmaceutical industry.

The Company’s nano-optic technology employs arrays of billions of nano-indentations that are impressed or embossed onto a substrate material such as polymer, paper, metal, or fabric. By using sophisticated algorithms to direct an electron beam, the Company creates visual images with colour-shifting effects such as 3D, perceived movement, and can also display high-definition colours including skin tones, and whites and blacks, which are not possible using holographic technology.

Additional information about Nanotech can be found at the Company’s website www.nanosecurity.ca, the Canadian disclosure filings website www.sedar.com or the OTCMarkets disclosure filings website www.otcmarkets.com.

About 4D LABS

4D LABS is an applications-and science-driven research facility at Simon Fraser University, located in British Columbia, Canada. They offer access to multiple facilities housing state-of-the-art equipment for academic, industrial and government researchers. They focus on accelerating the design, development, demonstration and delivery of advanced functional materials and nanoscale devices. Their goal-oriented environment fosters intellectual freedom and creativity—critical for breakthrough research.

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