

Nanotech Expands Thurso, Quebec Production Facility to Accommodate Growth

VANCOUVER, British Columbia – July 23, 2020 – Nanotech Security Corp. (TSXV: NTS) (OTCQX: NTSFF) ("Nanotech" or the "Company"), a leader in the development of secure and memorable nano-optic security features used in the government and banknote and brand protection markets, announces the expansion of its Thurso production facility.

Nanotech has invested over \$1.5 million in the expansion of its 28,000 sq. ft. highly secure production facility, with improvements to increase production capacity and expand overall capabilities. As part of the expansion, Nanotech has built an ISO 7 level clean room for advanced equipment and is adding UV recombination capabilities, as well as a proprietary silver spray system and a new water-based de-metallization machine.

The expansion also includes upgrades to utilities and modifications to coaters and quality control systems to enhance the production of a wide range of anti-counterfeit solutions like [LumaChrome™](#) colour-shifting films. These upgrades are being made to support an increase in orders for this summer. As a result, Nanotech's management is reiterating its annual revenue growth to be in the 10% to 20% range for fiscal 2020.

In addition, Nanotech announces Derek Glennie has joined the team as General Manager for its [Thurso production facility](#). Mr. Glennie brings more than 25 years engineering and production experience and a solid track record of leading successful teams. He has held management positions with Spartan Bioscience as VP Engineering and Newport Instruments Canada as Sr. Operations Manager. He holds a Master of Applied Science from the University of Toronto and is highly skilled in product development, production efficiency, and continuous improvement. Mr. Glennie will lead the Thurso team and oversee production and development deliverables.

"We are pleased to have Derek onboard as we continue to grow and expand our Thurso production facility. These investments will enable us to deliver our new LumaChrome orders this summer and will further support our development contract activities next year," said President and CEO Troy Bullock.

Forward-looking Statement

This news release contains forward-looking statements that involve risks and uncertainties. Forward-looking statements made in this news release are qualified by risk factors contained in our public filings at www.sedar.com and there can be no assurance that actual results or developments that we currently anticipate will be realized.

Additional information about Nanotech and the risks facing its business 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 Nanotech

With billions of security features in circulation, Nanotech's products include secure and memorable security labels, stripes, patches, and colour-shifting films for currency authentication and brand protection.

[KolourOptik®](#) is a patented technology that is exclusive to the government and banknote market and combines sub-wavelength nanostructures and microstructures to create modern overt security features with a unique and customizable visual effect. KolourOptik pure plasmonic colour pixels produce full colour, 3D depth, and movement used in security stripes and threads that are nearly impossible to replicate. At less than 5 microns thick, KolourOptik products seamlessly integrate into banknotes and other secure government documents.

[LiveOptik™](#) is a patented technology that utilizes innovative nano-optics one tenth the size of traditional holographic structures to create next generation overt security features customized to our customers' unique requirements. LiveOptik delivers multi-colour, 3D depth, movement, and image switches for secure brand protection stripes, threads, and labels that are nearly impossible to replicate.

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