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California Nanotechnologies Announces Q1 2027 Results

- Quarterly revenue of US$918K, representing an increase of 28% year-over-year
- Improvements to Adjusted EBITDA[1] margin while driving investments in growth opportunities
- FY2027 focused on delivering traction in Small Modular Reactor (SMR) nuclear energy industry

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LOS ANGELES, CALIFORNIA, July 30, 2026 - California Nanotechnologies Corp. ("Cal Nano" or the "Company") is pleased to announce revenues of US$917,854 for the quarter ended May 31, 2026. This represents an increase of 28% compared to the prior year. Adjusted EBITDA[1] was a loss of US$129,031 for the fiscal quarter ended May 31, 2026, compared with a loss of US$152,707 in the prior year.

Net loss for the fiscal quarter was US$449,598, compared to a net loss of US$447,887 in the prior fiscal year. The net loss was stable with positive contributions from higher revenues and gross profit, and the early termination of its Cerritos manufacturing facility lease. This was offset by higher costs associated with investments in growth opportunities and business development.

Diluted loss per share for the fiscal year was $0.01 compared to diluted loss per share of $0.01 for the same period last year. The financial statements are available on SEDAR+ at www.sedarplus.ca and on the Company's website.

"We had a solid start to the fiscal year with 28% revenue growth and a clear strategy to capitalize on opportunities in the SMR nuclear energy space," stated CEO Eric Eyerman. "We have been investing into business development as seen with our record conference attendance year-to-date to create customer awareness, and we simplified our operations for scale-up with the consolidation of our Cerritos facility into Santa Ana. FY2027 will be an important year to demonstrate that these investments will pay off."

Financial Highlights

[1] Non-IFRS Measure

Amounts in USD	**Three months ended May 31, 2026**	**Three months ended May 31, 2025**	Period-over-period change
Revenues	**917,854**	716,553	28%
Cost of Goods Sold	**503,996**	308,492	63%
Gross Profit	**413,858**	408,061	1%
Gross Margin[1]	**45%**	57%	(1,200 bps)
Net Income/(Loss)	**(449,598)**	(447,887)	0%
Income/(loss) Per Share – Diluted	**($0.01)**	($0.01)	-
EBITDA[1]	**(248,589)**	(247,021)	20%
Adjusted EBITDA[1]	**(129,031)**	(152,707)	4%

The increase in revenue for the quarter of US$201,301 was mainly due to an equipment sale, valued at US$180,923. The gross margin for the quarter was 45%, a decrease from 57% in the prior year, reflecting a lower manufacturing gross margin and a different sales mix with the one equipment sale.

The Company continues to anticipate, that if revenues increase, gross margin is expected to improve because its fixed costs and overhead would be spread over a larger revenue base. Cal Nano expects fluctuations in gross margin depending on the manufacturing service mix between R&D and commercial customers, utilization, and volume of equipment deliveries.

Adjusted EBITDA for the fiscal quarter increased due to the higher revenues and gross profit. The improvement was offset by Cal Nano's continued investments in business development and marketing to drive traction in its commercial manufacturing opportunities.

Management Commentary & Outlook
Q1 2027 marked a return to year-over-year revenue growth after rebuilding the Company's client portfolio. FY2027 is expected to build on these efforts with an emphasis on securing larger-scale manufacturing contracts, non-dilutive funding, and long-term partnerships to scale-up the Company's operations.

Cal Nano has positioned itself to capitalize on opportunities in the nuclear energy industry with a goal to deliver commercial contracts this fiscal year. The Company's strategy involves positioning itself as the premier and domestic manufacturer of critical and consumable reactor components such as control rods and heat shielding. Cal Nano believes its investments in conferences, joining specialty industry organizations, and strategic partnerships support these efforts.

The current U.S. administration is supporting SMR development with initiatives like the Department of Energy's (DOE) $900 million Gen III+ deployment program and faster reactor pilot efforts. It is also supporting domestic supply chains through the Fuel Line Pilot Program and funding for High-Assay Low-Enriched Uranium (HALEU)/fuel-cycle work. DOE's SMR program further includes a supply-chain track to help U.S. firms make reactor parts domestically.

About California Nanotechnologies Corp.
At Cal Nano, we envision a world in which our advanced technologies are used to help make the most innovative products on this planet and beyond. With our unique expertise in processing metallurgic powders into parts, global leaders trust us to help push the boundaries of applied material science. Headquartered in Greater Los Angeles,

California, Cal Nano hosts advanced processing and testing machinery and capabilities across two manufacturing facilities for materials research and production needs. Our customers range from Fortune 500 companies to startups with programs spanning aerospace, renewable energy, defense, and semiconductors.

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Non-IFRS Measures and Reconciliation of Non-IFRS Measures

This press release makes reference to certain non-IFRS measures. These non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing a further understanding of results of operations of Cal Nano from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the financial information of Cal Nano reported under IFRS. The Company uses non-IFRS measures such as EBITDA to provide investors with a supplemental measure of operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess the Company's ability to meet its capital expenditure and working capital requirements.

"EBITDA" means the earnings before interest, income taxes, depreciation, and amortization, where interest is defined as net finance costs as per the consolidated statement of comprehensive income.

"EBITDA margin" means the earnings before interest, income taxes, depreciation, and amortization, where interest is defined as net finance costs as per the consolidated statement of comprehensive income as a percentage of total revenues.

"Adjusted EBITDA" refers to earnings before interest, income taxes, depreciation, amortization, share-based compensation, and the unrealized gain on share purchase warrants, with interest defined as net finance costs as per the consolidated statement of comprehensive income.

"Adjusted EBITDA margin" refers to earnings before interest, income taxes, depreciation, amortization, share-based compensation, and the unrealized gain or loss on share purchase warrants, with interest defined as net finance costs as per the consolidated statement of comprehensive income as a percentage of total revenues.

Reconciliations and Calculations

The tables set forth below provides a quantitative reconciliation of Gross Margin and EBITDA, which are Non-IFRS financial measures, to the most comparable IFRS measure disclosed in the Company's financial statements. The reconciliation of Non-IFRS measures to the most directly comparable measure calculated in accordance with IFRS is provided below where appropriate.

Gross Margin Reconciliation

Amounts in USD	**Three months ended May 31, 2026**	**Three months ended May 31, 2025**
Revenues	**917,854**	**716,553**

Cost of Goods Sold	503,995	308,492
Gross Profit	413,848	408,061
Gross Margin	**45%**	**57%**

EBITDA and Adjusted EBITDA Reconciliation

Amounts in USD	**Three months ended May 31, 2026**	**Three months ended May 31, 2025**
Net Income/(Loss)	**(449,598)**	**(447,887)**
Depreciation & Amortization	174,241	173,635
Interest Expense	26,768	27,231
Income Tax Expense	-	-
EBITDA	**(248,589)**	**(247,021)**
EBITDA Margin	***(27%)***	***(34%)***
Share-based Compensation	119,558	95,556
Loss/(Gain) on Share Purchase Warrants	-	(1,252)
Adjusted EBITDA	**(129,031)**	**(152,707)**
Adjusted EBITDA Margin	***(14%)***	***(21%)***

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: future financial results, including anticipated profitability and/or lack thereof; statements about future plans, including statements about the planned expansion of the Company's manufacturing capacity, and new sites for the Company's production and headquarters; demand for the Company's services by current and future customers, including existing and future orders for the Company's SPS equipment and the anticipated revenue therefrom; and 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; a significant change in demand for the Company's services and products; industry conditions, governmental regulation, including environmental regulation; the effects of product development and need for continued technological change; the effect of government regulation and compliance on the Corporation and the industry; research and development risks; reliance on key personnel; operations in foreign jurisdictions; protection of intellectual property rights; contractual risk; third-party risk, risk of technological or scientific obsolescence; dependence of technical infrastructure; 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.sedarplus.ca. 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.