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CALIFORNIA NANOTECHNOLOGIES REPORTS 51% INCREASE IN REVENUES IN FIRST NINE MONTHS

TSX VENTURE: CNO

CERRITOS, CA, February 4, 2015 - California Nanotechnologies Corp. ("Cal Nano" or the "Company") is pleased to report financial results for the first nine months of fiscal 2015, ended November 30, 2014. In the March to November period, revenues on a US basis, increased by 51% to \$299,179 US (\$341,399 CAD), compared to \$198,309 US (\$210,093 CAD) during the same period last year. This increase in revenues was due mainly to increased sales in the oil and gas division.

Cal Nano's net loss for the first nine months was \$205,180 US or \$0.01 per share, a significant improvement from a loss of \$271,671 US in the same period last year. Overall operating expenses of \$549,753 US were higher by 21% when compared to the prior period. These expenses supported the growth needs of the Company, requiring extra expenditures for wages and salaries, marketing, advertising, promotion and travel.

SUMMARY OF NINE MONTH FINANCIAL HIGHLIGHTS (US \$)

All figures in US dollars unless noted.

Basic Weighted Average Shares Issued And Outstanding : 30,446,835	For the period ended November 30, 2014	For the period ended November 30, 2013	% Increase (Decrease)
Revenue	\$ 299,179	\$ 198,309	51%
Cash flow provided by (used for) operations	(169,133)	(218,354)	-
Net income (loss)	(205,180)	(271,671)	-
EPS (LPS) (US)	(0.01)	(0.01)	-
EPS (LPS) (CAD)	(0.01)	(0.01)	-

(Note: at 11/30/14, \$1US = \$1.141 CAD; 11/30/13, \$1US = \$1.059 CAD)

In the third quarter, 55% of revenue was derived from a new contract with a large tier one aerospace company based in Seattle, WA. Given the results of this project, this customer may be interested in additional programs which could include the new larger mill recently installed at Cal Nano. Of particular importance, several new orders for Spark Plasma Sintering ("SPS") services were received last month, one of these which exceeded \$20,000 USD. These interests in SPS are consistent with the general growth trends that the Company sees in this sector.

"As the Company continues to diversify and commercialize its products across a broad spectrum of industries and applications, revenues continue to grow. These increasing revenues are the result of a dedicated effort to build a solid core infrastructure along various products, technologies and services, while offering these skill sets to an increasing customer pool," stated Christopher Melnyk, CEO. "Our core strengths position us well to become a leading nanotech company providing tangible results on the incredible properties of very tiny material structures."

A larger high-energy mill for advanced cryogenic processing is scheduled to begin processing materials this month. This new mill will increase the Company's cryomilling capacity by a factor of six and advance the Company's large margin programs. "The gross margin attained in the first 9 months of the year was approximately 90%," stated Andrew Bengis, CFO.

SUMMARY OF THREE MONTH FINANCIAL HIGHLIGHTS (US \$)

All figures in US dollars unless noted.

Basic Weighted Average Shares Issued And Outstanding : 31,230,296	For the three months ended November 30, 2014	For the three months ended November 30, 2013	% Increase (Decrease)
Revenue	\$ 80,495	\$ 79,919	1%
Cash flow provided by (used for) operations	(67,679)	(85,999)	-
Net income (loss)	(98,335)	(89,387)	-
EPS (LPS) (US)	(0.003)	(0.004)	-
EPS (LPS) (CAD)	(0.004)	(0.004)	-

(Note: at 11/30/14, \$1US = \$1.141 CAD; 11/30/13, \$1US = \$1.059 CAD)

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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", "budget", "scheduled", "estimates", "forecast" and other similar words or variations thereof, or statements that certain events or conditions "may", "could", "would", "might" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to the expected use of proceeds. 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: additional funding required by the Company on an ongoing basis; market competition against third parties with greater financial and human resources; the protection of the Company's intellectual property rights; costs of production; capital expenditures; requirements for additional capital; failure of equipment or processes to operate as anticipated; delays in obtaining regulatory approvals,

claims limitations on insurance coverage; risks associated with international operations; risks related to material customer agreements; fluctuations in the currency markets; and changes in national and local government legislation, controls, regulations and political or economic developments in Canada, the United States or other countries in which the Company may carry on business in the future. 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.

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