



News Release

TSXV, Tier 1: "NTS"

OTCQX: "NTSFF"

Nanotech Security Amends 2014 Transaction

VANCOUVER, British Columbia – August 17, 2015 – Nanotech Security Corp. (TSXV: NTS) (OTCQX: NTSFF), announces that it has signed an amending agreement with Fortress Paper Ltd. ("Fortress Paper") which amends the terms of Nanotech's September, 2014 acquisition of Fortress Optical Features. Under the amending agreement, Nanotech and Fortress Paper have agreed that 1.5 million of the 3 million Nanotech shares which were issued to Fortress Paper in escrow pending achievement of certain sales milestones over 5 years will be released from escrow immediately. The remaining balance of 1.5 million escrowed Nanotech shares will be cancelled. The 1.5 million shares released to Fortress Paper and the other Nanotech shares held by it are subject to a pooling agreement which restricts the sale of the applicable shares for a period of 90 days.

Doug Blakeway, Nanotech CEO commented "Nanotech and Fortress Paper agreed that the evolution of Nanotech's product mix and how the Company now manufactures and sells products other than strictly through the Thurso facility would complicate the monitoring of the sales milestones. In order to simplify ongoing discussions with potential customers and suppliers, we decided that it would be in Nanotech's best interest to restructure the existing arrangement. The cancellation of half of the milestone related shares compensates us for our agreement to immediately release half from escrow. We are confident in the sales outlook and that shareholders will ultimately benefit from the reduction in outstanding shares."

About Nanotech Security

Through its security and surveillance divisions, Nanotech Security Corp. has been a leading innovator in the design and production of advanced security products and surveillance solutions for a number of years. Nanotech's *KolourOptik™* and *Plasmogram™* products are nanotechnology based product platforms originally inspired by the unique optical properties of the iridescent wings of the Blue Morpho butterfly. Our security 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. Our surveillance division designs and manufactures sophisticated surveillance and intelligence gathering communications and forensic equipment for the law



enforcement and intelligence community as well as runs a state of the art training academy where we provide technical surveillance training to the law enforcement community.

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.

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Nanotech Security Corp:

Doug Blakeway
dblakeway@nanosecurity.ca
+1.604.678.5775

Canada Investor Relations:

Sean Peasgood
sean@SophicCapital.com
+1.416.565.2805

Media Contact:

Jackie Henry
jp@nanosecurity.ca

U.S. Investor Relations:

Dave Mossberg
+1. 817.310.0051

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