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NanoTech's UltraFlix[™] 4K Streaming Network to be featured on Sony 4K Ultra HD TVs

Streaming Network App to be Bundled in all 2014 Sony 4K TVs Offers More than 300 Hours of Pristine 4K Ultra HD Movies, Concerts, Documentaries and Special Events Plus 100 Hours of Free Content

SAN JOSE, CA – September 15, 2014 – <u>NanoTech Entertainment</u> (OTCPINK: NTEK), a pioneer in bringing the 4K Ultra HD experience to consumers, announced today that it has signed an agreement with Sony Electronics, the leader in the 4K Ultra HD TV industry. Under the agreement, NanoTech's all 4K <u>UltraFlix</u> Network App will be bundled with Sony's 2014 4K Ultra HD TV product line. Financial terms were not disclosed.

With the agreement, Sony customers will have one-click access to the world's largest library of 4K VOD content. By clicking the UltraFlix application button, viewers will be able to stream more than 300 hours of stunning 4K travel and nature documentaries, including 40 made for IMAX theatrical titles. In addition, users can experience a wide selection of action/thriller, comedy, drama and family movies as well as breath-taking extreme sports videos, concerts, TV shows and moving murals in addition to 100 hours of free content.

"Our decision to bundle UltraFlix with our next-generation 4K Ultra HD TVs was based on our continual quest to deliver the most immersive viewing experience that consumers are seeking," said Nick Colsey, Vice President of Sony Electronics. "We can now provide our customers with the industry's largest number of options for streaming 4K VOD content combined with the best 4K Ultra HD TVs available in the market. UltraFlix's secure media delivery system, combined with our state-of-the-art displays, provides the best in consumer entertainment."

The market for 4K Ultra HD TVs is clearly gaining momentum. HIS Technology recently reported that sales of 4K Ultra HD TVs are forecast to reach up to 15M sets in 2014, up from just 3M TVs in 2013. This category is expected to grow to 36M in 2015, to 49M, 60M, and 69M respectively through 2018.

Most analysts emphasize the importance of the availability of 4K content in driving the success of 4K adoption. According to Informa Telecoms & Media, revenue from pure OTT services like NanoTech's UltraFlix is estimated to grow from \$14 billion in 2013 to \$37 billion by 2017.

UltraFlix streams video at four times the resolution of today's full High-Definition TVs. With more than 8 million pixels of resolution in 4K Ultra HD, compared to just two million pixels in HD, the software provides a remarkably superior viewing experience with incredible color, image edge clarity and increased depth perception. By leveraging the latest HEVC compression

standards along with NanoTech's 4K Studios proprietary methods, NanoTech's UltraFlix streaming 4K Ultra HD software achieves up to 50 percent better compression than with H.264; effectively delivering the same 4K Ultra HD quality at nearly half the bitrate. With enhanced video compression, adaptive streaming and intelligent bandwidth management technologies, UltraFlix can stream visually lossless 4K video with uninterrupted viewing at under 8Mbps, making 4K Ultra HD available to most North American and European internet subscribers today.

Optimized and fully tested to ensure reliable support for UltraFlix's 4K Ultra HD streaming content, Sony's 2014 4K Ultra HD TVs incorporate a decoder compatible with the latest "HEVC" video compression format, enabling them to display 4K/60p content from internet streams and other sources, without the need for additional devices. Additionally, Sony has optimized its 4K Ultra HD TVs to provide a great UltraFlix experience featuring the fastest playback in the industry.

"Sony has been instrumental in advancing the 4K industry and we're very proud to partner with them," said Aaron Taylor, NanoTech's Executive Vice President of Sales and Marketing. "Like Sony, we believe 4K is the Future of Television and look forward to a long and mutually rewarding relationship as we deliver the most exciting 4K technologies of tomorrow – today."

Availability

A total of nine Sony 4K Ultra HD TVs bundled with the NanoTech UltraFlix Channel will be available in screen sizes ranging from 49 inches to 85 inches later this month. For more information on Sony 4K Ultra HD TVs and their availability, visit: <u>http://store.sony.com/4k-ultra-hd-tvs/cat-27-catid-XBR-4K-Ultra-HD-TVs</u>.

About NanoTech Entertainment

www.NTEK.com.

Headquartered in San Jose, CA, the heart of Silicon Valley, NanoTech Entertainment is a technology company that focuses on all aspects of the entertainment industry. With six technology business units, focusing on 3D, Gaming, Media & IPTV, Mobile Apps, and Manufacturing, the company has a unique business model. The company has a diverse portfolio of products and technology. NanoTech Gaming Labs operates as a virtual manufacturer, developing its technology and games, and licensing them to third parties for manufacturing and distribution in order to keep its overhead extremely low and operations efficient in the new global manufacturing economy. NanoTech Media develops proprietary technology which it licenses to publishers for use in their products as well as creating and publishing unique content. NanoTech Media Technology includes the world's first 4K Ultra HD streaming solution. NanoTech Communications develops and sells proprietary apps and technology in the Mobile and Consumer space. Clear Memories is the global leader in 3D ice carving and manufacturing technology. 4K Studios creates digital 4K Ultra HD content using both licensed materials as well as original productions. NanoTech is redefining the role of developers and manufacturers in the global market. More information about NanoTech Entertainment and its products can be found on the web at

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