

# NanoTech Entertainment (NTEK) Shareholder Letter

*Corporate Updates as of October 10, 2016*

Dear NTEK Shareholders;

I am pleased to send an update on the many activities of the NanoTech team over the past quarter. We have been quiet as the company has been laser-focused on restructuring efforts and driving the company towards profitability in Q4 2016. We will be sending a series of updates and announcements over the next several weeks to bring all those interested up to speed.

Among the activities and pursuits:

- The reverse split was completed in July. We were able to eliminate over \$1M in debt. Our goal was to streamline funding for company operations and that has gone slower than desired; however, we have worked through the issues and should see major improvement this quarter.
- There have been ongoing negotiations with several key service providers. The intention is to dramatically reduce product delivery costs. As of last week, we concluded negotiations which will reduce delivery costs for UltraFlix by more than 75%. Frankly, this was an all-consuming process but will be a huge assist to achieving our profitability goals.
- 4K studios will be a significant part of our strategy going forward. With the proliferation of 4K platforms entering the market, 4K content is needed by UltraFlix as well as other content partners. We are focused on ramping 4K studios activities significantly in Q4.
- We will be sending a series of press releases in the coming weeks outlining partnership opportunities, platform partner growth plans and content expansion for UltraFlix.

Although the last quarter had many challenges, the NTEK team is diligently working to make Q4 a success!

We will keep you apprised on progress and truly appreciate your continued support.

Warmest regards,

Jeffrey A. Foley  
Chairman

## **About NanoTech Entertainment**

Headquartered in San Jose, CA, with US operations in NV, MA, along with India and China, NanoTech Entertainment is a global technology company that focuses on all aspects of the entertainment industry. With three business units, focusing on Gaming, Media & IPTV and Mobile Apps, 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

Communications develops and sells proprietary apps and technology in the Mobile and Consumer space. 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 [www.NanoTechEnt.com](http://www.NanoTechEnt.com).

NanoTech Entertainment (OTCPINK: NTEK) trades on OTC Pink, the open marketplace for a wide spectrum of equity securities. Investors can find real-time quotes and market information at [www.otcm Markets.com](http://www.otcm Markets.com).

"Safe Harbor" Statement: Under The Private Securities Litigation Reform Act of 1995: The statements in the press release that relate to the company's expectations with regard to the future impact on the company's results from new products in development are forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. Since this information may contain statements that involve risk and uncertainties and are subject to change at any time, the company's actual results may differ materially from expected results.

###