



## NEWS RELEASE

### **QuantumSphere Completes State-of-the-Art Nanocatalyst Production Facility**

*Now Positioned to Capitalize on Commercial Validation and JDA with Casale, SA*

SANTA ANA, Calif. – July 23, 2015 – [QuantumSphere, Inc.](#) (QSI) (OTCQB: QSIM), a leading supplier of nanocatalyst technologies for industrial chemical processes, today announced the completion of its state-of-the-art manufacturing facility for the production of the company's proprietary FeNIX™ nano iron catalyst product.

FeNIX nanocatalysts were developed to address costly production inefficiencies within the several hundred ammonia plants in operation worldwide. QSI's high surface area FeNIX nanocatalysts, applied as a coating to existing commercial ammonia catalysts, provide a "turbo-charging" effect to catalytic activity – increasing conversion efficiency and overall production output in the nearly \$100 billion USD global ammonia industry. Earlier this year, FeNIX nanocatalysts demonstrated an increase in production rate by 10 to 15 percent in a commercial reactor which could translate to more than \$100 million USD in additional revenue for a typical, medium-sized ammonia plant over the life of the catalyst – with no plant modifications or additional capital expenditure.

Matthew Griffith, Vice President of Operations, stated, "We are excited to report that we have successfully scaled and tested all aspects of our multi-step FeNIX manufacturing process, including a patented, automated gas-phase-condensation (GPC) process to tightly control nano-particle size and distribution, and a secondary passivation process allowing the highly active material to be safely handled and transported. In addition, we have completed our proprietary physisorption coating equipment which is used to adhere the FeNIX nanocatalysts onto base commercial pre-reduced ammonia catalysts on-site at an ammonia production facility."

Kevin Maloney, President and CEO, added, "Our ability to deliver FeNIX and other nanocatalysts in commercial quantities, combined with our industrial-scale validation results and Joint Development Agreement with Casale, strongly positions QSI to become an important value-added technology provider in the large and growing global ammonia market."

QSI announced in May its multi-year Joint Development Agreement with Swiss-based [Casale, S.A.](#) ("Casale"), a global leader in production technologies for ammonia, urea, melamine, methanol, syngas, nitrates and phosphates. Casale's reactor production technologies are utilized in approximately 38 percent of global ammonia production and 39 percent of global methanol production, which are key target markets for QSI.

Casale and QSI have agreed to collaborate on the development of commercial technologies for ammonia, methanol, and other industrial chemicals which collectively account for several hundred billion USD in annual global production. Casale also agreed to utilize QSI as its exclusive provider of nanocatalysts for its chemical synthesis processes during the term of the agreement due to QSI's products' demonstrated increase in catalytic activity and patented high volume manufacturing process.

Ammonia is one of the planet's most critical chemicals. Nearly \$100 billion USD of ammonia is produced annually on a global basis, consuming 1-2 percent of the world's energy supply. More than 80 percent of ammonia output is used as agricultural fertilizer for global food production, supplying 50 percent of all protein consumed by humans.

### **About QuantumSphere, Inc. (QSI)**

For the thousands of highly inefficient chemical plants in operation producing nearly one trillion USD in basic chemicals annually, QSI develops and manufactures seamlessly integrated nanocatalyst technologies which have the potential to improve process efficiencies and overall production outputs. QSI leverages a patented manufacturing process and commercial development with leading partners to deliver high-performance nanocatalysts for industrial chemicals applications. QSI common stock is listed for quotation on the OTCQB under the ticker symbol QSIM. For more information, please visit [www.qsinano.com](http://www.qsinano.com).

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### **Safe Harbor Statement**

*All statements included or incorporated by reference in this News Release, other than statements or characterizations of historical fact, are "forward-looking statements." Examples of forward-looking statements include, but are not limited to, statements concerning projected sales, costs, expenses and gross margins; our accounting estimates, assumptions and judgments; the prospective demand for our products; the projected growth in our industry; the competitive nature of and anticipated growth in our industry; and our prospective needs for, and the availability of, additional capital. These forward-looking statements are based on our current expectations, estimates, approximations and projections about our industry and business, management's beliefs, and certain assumptions made by us, all of which are subject to change. Forward-looking statements can often be identified by such words as "anticipates," "expects," "intends," "plans," "predicts," "believes," "seeks," "estimates," "may," "will," "should," "would," "could," "potential," "continue," "ongoing," similar expressions and variations or negatives of these words. These statements are not guarantees of future performance and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, our actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors, some of which are set forth in the "Risk Factors" section of our Transition Report on Form 10-KT filed on September 26, 2014, as updated through our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2014 filed on November 14, 2014, our Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2014 filed on February 17, 2015, and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015 filed on May 14, 2015 which could cause our financial results, including our net income or loss or growth in net income or loss to differ materially from prior results, which in turn could, among other things, cause the price of our common stock to fluctuate substantially. These forward-looking statements speak only as of the date of this News Release. We undertake no obligation to revise or update publicly any forward-looking statement for any reason, except as otherwise required by law.*