

Breaking News
NCC AWARDED \$1,800,000 FOR NANO-ENHANCED SMC SCALE-UP

The National Composite Center (NCC) has been awarded a Third Frontier Project grant totaling \$1,800,000. The Center will use the grant to launch a program for nano-enhanced sheet molding compound (SMC) scale-up for production of composite parts that retain the strength of conventional materials yet are significantly lighter and thinner. Initially targeting applications for the commercial vehicle and marine markets, the Center expects to grow 39 jobs and revenues of up to \$9 million over the next three years.

“This award recognizes NCC’s track record as a premier commercialization agent for advanced materials technology,” said Lou Luedtke, President and CEO for NCC. “The Center’s broad range of capabilities makes rapid commercialization strategies possible and was the primary reason we were considered for selection. Only five of 18 proposals met the commercialization standards specified for this year’s round of grant proposals. We’re very proud to be one of a very select few.”

According to Luedtke, the Center will achieve significant reductions in the weight and thickness of SMC material by replacing amounts of conventional filler and glass fiber with nano-clays, which have a



NCC awarded \$1,800,000 for nano-enhanced SMC scale-up.

much larger surface area. Until now, equipment for bench scale work with these materials has been available in academic institutions but lacked the capacity to produce actual parts. NCC will use the funding to scale up equipment with the capability for the first time to produce sufficient quantities of the material to mold parts for testing. “The equipment will make it possible to produce three to six million pounds per year of SMC,” said Luedtke.

The Center will initially target applications for Class 8 truck cab components and jet skis for the recreational marine market. NCC will team with Core Molding Technologies, a molded parts supplier to International Truck. Polymer Ohio and Comfort Line will also work with NCC to find other applications for SMC. Additional collaborators include Inspired

Innovations, LLC and Iten Industries.

“The ability of companies to commercialize new products and create new jobs is critical to the future success of Ohio’s economy,” said Governor Bob Taft. “These funds are helping Ohio innovators turn great ideas into marketable products.”

NaturalNano Joins NCC - EXPANDS COMMERCIALIZATION OPPORTUNITIES FOR NANOCOMPOSITES UTILIZING HALLOYSITE NANOTUBES

NaturalNano, Inc. (OTCBB: NNAN; FWB: N3N), a company whose primary business is discovering, refining, and marketing naturally occurring nanomaterials, announced it has joined NCC.



Halloysite nanotubes from Atlas mines in Utah (imaged at Alfred University with transmission electron microscope)



Michael Riedlinger, NaturalNano's president, said, "The National Composite Center provides a collaborative environment for accelerating the commercialization of nanocomposite materials through focused programs with other member companies and research institutions. This provides a critical bridge between early research activities in laboratories that are developing new nanocomposite materials and commercial scale production requirements for integrating these new materials into future products. Additionally, NCC provides access to technologies, equipment, and personnel for the development of new industry standards and commercial applications that may benefit by utilizing NaturalNano's halloysite nanotube technologies."

Louis Luedtke, President and CEO of NCC said, "New nanocomposite materials and related technologies, like those from NaturalNano, are very important to the development of next-generation composite products that NCC member companies are currently designing in collaboration with our organization. NaturalNano's products may provide just the functionality NCC's customers desire."

NaturalNano, Inc. (OTCBB: NNAN; FWB: N3N) is a materials science company developing unique and proprietary processes for refining naturally occurring nanotubes and other nanomaterials that add competitive properties to a range of

applications. These include additives to cosmetics and personal care products, and absorbent materials, as well as: electromagnetic interference shielding, specialty coatings, and material additives for industrial polymers, plastics and composites. NaturalNano possesses broad intellectual property rights and proprietary know-how for extraction and separation processes, compositions, and derivatives of halloysite and other nanotubes.

NaturalNano has rights to multiple issued and pending patents that cover processes, compositions, and applications for the nanotubes found in halloysite clay. More than 200 different commercial applications have been identified to date. The company is also developing proprietary, patent-pending extraction, separation, and classification technologies to enable production of more uniform nanotubes to meet the higher standards required for advanced applications of the naturally occurring nanotubes. The Company's research and development efforts are focused in the areas of precise, controlled, and extended release of application-specific additives for use in cosmetics, polymers and plastics and other areas.

For more information, please visit www.naturalnano.com.

Cautionary Statement Regarding Forward-Looking Statements
Certain statements included in this press release may constitute

forward-looking statements within the meaning of applicable securities laws. These statements reflect what NaturalNano anticipates, expects, or believes may happen in the future. NaturalNano's actual results could differ materially from the outcome or circumstance expressed or implied by such forward-looking statements as a result of a variety of factors including, but not limited to: NaturalNano's ability to develop its technologies; the approval of NaturalNano's patent applications; the successful implementation of NaturalNano's research and development programs; the ability of NaturalNano to demonstrate the effectiveness of its technology; the acceptance by the market of NaturalNano's technology and products incorporating such technology, the ability of NaturalNano to effectively negotiate and enter into contracts with third parties for the licensing of NaturalNano's technology; competition; the ability of NaturalNano to raise capital to fund its operating and research and development activities until it generates revenues sufficient to do so; and the timing of projects and trends in future operating performance, as well as other factors expressed from time to time in NaturalNano's periodic filings with the Securities and Exchange Commission (the "SEC"). As a result, this press release should be read in conjunction with NaturalNano's periodic filings with the SEC which are incorporated herein by reference. The forward-

looking statements contained herein are made only as of the date of this press release, and NaturalNano undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

NCC'S ANNUAL MEMBER MEETING KICKS OFF

Like the Center's capabilities, NCC's Member Day activities have continued to grow. For the third year in a row, NCC will extend the event over two days. As a result, the name, Member Day, is being changed to Member Meeting.

Scheduled for April 24-25, interest is already running high in the agenda for NCC's sixth annual event. Member Meeting 2006 offers unique opportunities to network and participate in an atmosphere of mutual learning. It's also a chance for each of you – our member companies – to showcase your technologies, advances and success stories.

On Monday, April 24, participants will enjoy presentations on the Center's latest technologies and capabilities and hear success stories about member partnerships. A networking reception will be held Monday evening at the Engineers Club of Dayton and include a special keynote speaker. Tuesday, April 25, will highlight Member company projects, new member companies and their stories of invention and innovation. A special

presentation on nano technology will also be given.

As always, attendance is free. Member companies can participate by simply attending but are also encouraged to take advantage of this important marketing opportunity by displaying their expertise through tabletop displays. For general information or to register contact Cathy Ullring at culring@compositecenter.org. For program matters contact Phil Mowry at pmowry@compositecenter.org.

NCC ENGINEER JIM HICKEY RECOGNIZED

During a special ceremony held March 13, The Wright State University Alumni association recently recognized NCC engineer Jim Hickey and five of his siblings (Thomas, Susan, Christopher, John and Theresa) for their commitment to supporting the university and the local community.



(l to r) Pritam Das and Jim Hickey at LFT cell Jim helped to launch.

Jim holds a bachelor of science degree in operations management. All in all the Hickey's have received nine degrees from the university, including two Master's degrees in

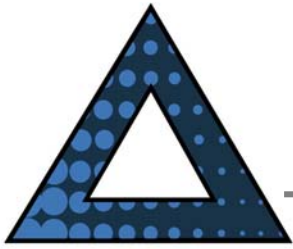
Public Administration.

Jim's oldest brother, former State Representative Bob Hickey is an Associate Vice President of Public Affairs for the University. Although Bob is an Ohio State graduate from both the Business and Law schools, he continues to help Wright State strive for excellence. Wright State originally started as an off campus for The Ohio State University at Wright Patterson Air Force Base when Bob was doing his undergraduate work at the Columbus campus.

Jim has been an engineer with NCC since 2003. Prior to his assignment at NCC, Jim served as manufacturing engineer with McDonnell Douglas Aircraft Company in Long Beach, California. He returned to Dayton in 1993 where he also supported manufacturing companies in the automotive, beverage packaging and HVAC industries. "I'm proud to work at NCC and contribute to the Center's mission to advance materials technology processes and grow jobs."

NCC has worked with Wright State University on the Wright Flyer and Rowdy Raider - projects that support the local community. The Center is also tapping the talents of Scott Williams from the Wright State Business School to help define business goals.

The Center extends its congratulations to Jim and his family.



N · C · C
NATIONAL COMPOSITE CENTER

NCC PART OF TOUR DE SAMPE

The Midwest Chapter of the Society for the Advancement of Material and Process Engineering toured NCC as the second stop on its annual Tour de SAMPE. The chapter tours local industry and organizations to acquaint its members with the latest advanced materials and manufacturing.

Thirty-five attendees toured the Center to learn about its cutting edge technologies and services. Featured items on the tour were: Long Fiber Reinforced Thermoplastics (LFT), Design Optimization, Large Scale Preforming, pedestrian bridge deck molding and Composite Advantage, NCC's latest spin-off company.