

Hybrid Signs Agreement with California Based Coatings Distribution Group

San Francisco CA, June 13, 2014 -- (MARKET WIRE) – Hybrid Coating Technologies Inc. (HCTI: OTCBB) is pleased to announce that it has entered into a distribution agreement with a California based coatings distribution group that sells upwards of \$100M a year in raw materials for coatings through its network. Under the terms of the agreement, Hybrid will be selling its “hardener” – the key component to its novel, zero isocyanate, two-part hybrid epoxyurethane-based coatings formulation – through the distribution network. The group will also sell Hybrid’s finished two-part product formulation through various retail store chains in its network. “This is an important step forward in the commercialization strategy of our products as we target different parts of the coatings market from large Fortune 500 manufacturers to medium sized distributors in order to maximize the market penetration of our products,” said Joseph Kristul, President and CEO of Hybrid.

Hybrid’s patented technology is the only formulation in the world today that produces hybrid epoxyurethane-based coatings and foam without using any isocyanates throughout the entire production process and without compromising product quality and durability.

CAUTIONARY DISCLOSURE ABOUT FORWARD-LOOKING STATEMENTS

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements in this news release other than statements of historical fact are "forward-looking statements" that are based on current expectations and assumptions. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the statements, including, but not limited to, the following: the ability of Hybrid Coating Technologies Inc. to provide for its obligations, to provide working capital needs from operating revenues, to obtain additional financing needed for any future acquisitions, to meet competitive challenges and technological changes, and other risks. Hybrid Coating Technologies Inc undertakes no duty to update any forward-looking statement(s) and/or to confirm the statement(s) to actual results or changes in Hybrid Coating Technologies Inc. expectations.

About Hybrid Coating Technologies

Hybrid Coating Technologies (HCT) is a San Francisco-based innovator focused on improving the quality and safety of coatings and paint for industrial and commercial customers around the world. We are the exclusive licensee of Green Polyurethane™ coatings, paint and foam – the world’s first-ever patent protected hybrid epoxyurethane-based polymer compositions for coatings, paint and foam products that eliminate toxic isocyanates from the entire production process (licensed by Nanotech Industries, Inc.).

The Problem of Conventional Coatings/Paint and Isocyanates

Conventional polyurethane (PU) paint and coatings have many disadvantages: they maintain insufficient hydrolytic and thermal stability. This makes the material highly vulnerable to environmental degradation and ultimately leads to their chemical decomposition, especially when in contact with water. Strict and costly health & safety measures have to be implemented in the manufacture and application of conventional polyurethane due to the toxicity of isocyanates. This is why regulatory bodies around the world are now looking toward phasing out the use of isocyanates.

The Green Polyurethane™ Solution

Green Polyurethane™ (also referred to as “HNIPU” - hybrid non-isocyanate polyurethane) is a hybrid epoxyurethane-based polymer material that combines the high chemical resistance properties of epoxy and advanced durability and wear resistance properties of polyurethane, making it the perfect application for sanitary, high traffic and corrosive surface areas. As a hybrid material with superior properties, Green Polyurethane™ can be applied in one or two layers, providing a welcome cost-saving substitute to currently used multi-layered flooring applications. Green Polyurethane™ also provides the first sound solution to the environmental and health hazards associated with isocyanates in polyurethane. Its safety features allow it to be applied without the use of costly safety equipment or the interruption of business due to public exposure, creating an additional 30-60% savings on application costs for customers.

Recent Anti-Isocyanate Regulatory Pressure

EPA MDI Action Plan: The US EPA (Environmental Protection Agency) is taking progressive action to regulate and potentially ban isocyanates and has mentioned Hybrid’s technology as an alternative to toxic polyurethane in its MDI Action Plan against isocyanates (see page 4 Figovsky and Shapovalov)
<http://www.epa.gov/oppt/existingchemicals/pubs/actionplans/mdi.pdf>

OSHA National Emphasis Program: On June 25, 2013 the Occupational Safety and Health Administration (OSHA), a division of the US Department of Labor, initiated a National Emphasis Program to protect workers from the serious health effects from occupational exposure to isocyanates. Isocyanates are found in polyurethane based products. According to OSHA, "Workers exposed to isocyanates can suffer debilitating health problems for months or even years after exposure which could result in death."

California’s Department of Toxic Substances Control (DTSC) has selected isocyanates and two others substances as “Priority Products” from a list of 1,100 toxic substances it has identified as having the potential to cause significant harm to people and/or the environment. These products could be restricted or even completely phased out over the next year and one-half. The announcement is part of a larger effort to educate consumers and manufacturers about product safety under the Green-Chemistry Law, which went into effect in California last year. Under the law, the agency has jurisdiction to ban these products altogether after following proper protocol. That process includes workshops, a public comment period and requiring manufacturers that want to sell these products in California to determine whether it would be feasible to use safer alternatives.

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