

Carbon Nanotechnologies, Inc. (CNI) Merges with C Sixty, Inc.

- Combines leader in small-diameter carbon nanotubes with leader in functionalized buckyballs
- Enhances CNI's position in the medical field

HOUSTON, TX – December 21, 2004 - Carbon Nanotechnologies, Inc. (CNI) and C Sixty, Inc. today, announced the completion of a merger of the two companies. C Sixty will operate as a wholly owned subsidiary of CNI. These two industry leaders in the field of carbon nanotechnology, both located in Houston, TX, will combine their resources to develop products that will benefit from the synergies resulting from their intellectual property portfolios, and the possible enhancements associated with carbon nanotubes working in combination with buckyballs.

CNI is the world leader in the production of single wall carbon nanotubes (SWNT) and other small diameter carbon nanotubes in addition to holding a broad portfolio of technology covering production processes, enabling and end-use technology. C Sixty is the world leader in the functionalization of C60 molecules (buckyballs) and is actively pursuing the development of medical applications using C60 derivatives. "It is truly a unique opportunity to combine these two companies", stated Ray McLaughlin, Executive Vice President & CFO of CNI. "Although CNI is focused on the production of carbon nanotubes, we have always been intrigued with the proposition of combining carbon nanotubes and buckyballs in certain applications."

"C Sixty has made great progress in validating derivatized C60 molecules for medical applications and we are excited about adding derivatized SWNT into our portfolio of product offerings," said Dr. Russ Lebovitz, President & CEO of C Sixty, Inc. "Currently, C Sixty is completing research programs which exploit the anti-oxidant properties of buckyballs."

About Carbon Nanotechnologies, Inc.

CNI has more than 100 patents and patent applications with a total of about 5000 claims in various stages of prosecution. The portfolio of 100 patents and applications includes about 850 composition of matter claims. CNI has several pilot plants to produce single-wall and other small-diameter carbon nanotubes in operation at its location in west Houston.

About C Sixty, Inc.

C Sixty Inc. is a leading nanomedicine company pioneering the development of biopharmaceutical applications of fullerenes, a unique class of small molecules with unprecedented antioxidant properties. C Sixty holds strong intellectual property addressing biomedical uses of fullerenes and methods for modification and synthesis of these compounds.

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