

# NEWS RELEASE

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## Applied Nanotech Receives Purchase Order for Nanocomposites from U.S. Army

**Austin, TX, December 7, 2009** – Applied Nanotech Holdings, Inc. (OTC BB: APNT) announced that it has received a purchase order in the amount of \$25,000 from the US Army Engineer Research and Development Center's Construction Engineering Research Laboratory (ERDC-CERL) for test samples of its carbon nanotube (CNT) enhanced fiber reinforced polymer composites. This purchase order is part of the overall goal of ERDC-CERL research in Multifunctional Materials to improve protection of facilities from ballistic and blast threats as well as improve electromagnetic interference (EMI) shielding, seismic resistance and degradation resistance.

These samples will be used to test the ballistic impact strength of our patented CNT composite materials. If successful, these new composite materials would lead to ballistic resistant panels that would be thinner and lighter, leading to lower material and transportation costs and decreased burden on building framing, while still maintaining, or improving, ballistic protection. Ballistic resistant panels are used in security walls, safe havens, safe rooms, panic rooms, bullet resistant doors, and as a blast protection barrier for both military and civilian applications.

Applied Nanotech has developed CNT reinforced epoxies for carbon fiber reinforced polymers and glass fiber reinforced polymers. These epoxies have a wide range of applications including sporting goods, wind turbine blades, automotive, aerospace, ballistics, and many other applications.

"I am very pleased to see the extension of our technology from the field of sporting goods to other commercial applications with very large market potential," said Dr. Zvi Yaniv, CEO of Applied Nanotech, Inc.

"In addition to this purchase order from the Army, recently we have received commitments and purchase orders of over \$100,000 for samples of our nanocomposites for commercial applications," said Doug Baker, CEO of Applied Nanotech Holdings, Inc. "We are receiving inquiries from, and providing samples to, global companies located in North America, Asia, and Europe for applications in a variety of markets."

## ABOUT APPLIED NANOTECH HOLDINGS, INC.

Applied Nanotech Holdings, Inc. is a premier research and commercialization organization focused on solving problems at the molecular level. Its team of PhD level scientists and engineers work with companies and other organizations to solve technical impasses and create innovations that will create a competitive advantage. The business model is to license patents and technology to partners that will manufacture and distribute products using the technology. Applied Nanotech has over 250 patents or patents pending. Applied Nanotech's website is [www.appliednanotech.net](http://www.appliednanotech.net).

## SAFE HARBOR STATEMENT

This press release contains forward-looking statements that involve risks and uncertainties concerning our business, products, and financial results. Actual results may differ materially from the results predicted. More information about potential risk factors that could affect our business, products, and financial results are included in our annual report on Form 10-K for the fiscal year ended December 31, 2008, and in reports subsequently filed by us with the Securities and Exchange Commission ("SEC"). All documents are available through the SEC's Electronic Data Gathering Analysis and Retrieval System (EDGAR) at [www.sec.gov](http://www.sec.gov) or from our website listed above. We hereby disclaim any obligation to publicly update the information provided above, including forward-looking statements, to reflect subsequent events or circumstances.

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