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22nd Century Group to Utilize Revolutionary New Filter Technology from Strategic Supplier, Celanese Corporation

“The most significant technological filter innovation in the last 30 years”

CLARENCE, N.Y.--(BUSINESS WIRE)-- Clarence, New York – 22nd Century Group, Inc. (NYSE MKT:[XXII](#)), a plant biotechnology company whose primary mission is to pioneer new technology to reduce the harm caused by smoking, announced today that it has entered into a supply arrangement with Celanese Corporation. Through this arrangement, 22nd Century will combine many of its proprietary tobaccos with Celanese’s revolutionary CelFX® carbon filter in new cigarette designs for select markets around the world.

The Celanese CelFX® filter is a highly efficient cigarette filter that delivers an extraordinary taste experience while significantly reducing certain gaseous toxic compounds in smoke, including Benzene, Acetaldehyde, Acrylonitrile, Formaldehyde, 1,3-Butadiene and Hydrogen Cyanide. Employing proprietary, patented technology, the new Celanese CelFX® filter incorporates four times more activated charcoal than conventional products. The specially-designed matrix technology in the new Celanese CelFX® filter provides highly effective filtration that absorbs these toxic compounds, while also providing full air flow for a smoking experience that smokers describe as “exceptionally smooth and rich.”

“As smoke passes through the CelFX® matrix filter, it significantly reduces these toxic compounds inhaled by smokers,” explained Henry Sicignano, III, President and Chief Executive Officer of 22nd Century Group. “Partnering with Celanese and combining CelFX® filters with our proprietary Very Low Nicotine and Low-Tar-to-Nicotine tobacco blends is a natural fit and makes our already outstanding cigarettes even better.”

Perry Aliotti, Celanese CelFX® Platform Global Sales Director, explained: “CelFX® matrix technology represents the most significant technological innovation in filters in my 34 years in the tobacco industry. Incorporating the CelFX® filter technology allows for superior filtration of these toxic compounds in smoke compared to any other filter on the market while preserving the taste and experience provided by the tobacco.” Mr. Aliotti continued, “Celanese and 22nd Century are proud to work together to help provide smokers greater choice and options for selectively reducing certain toxic compounds in smoke.”

22nd Century will have the rights to use the Celanese CelFX® cigarette filter technology with the Company’s MAGIC, RED SUN, and MOONLIGHT brands. The addition of Celanese’s CelFX® filters to the Company’s Very Low Nicotine MAGIC cigarettes fine-tunes MAGIC’s taste profile and results in a cigarette that is highly attractive to European smokers. As the Company broadens distribution for MAGIC from Spain to include Holland, Italy, France, and other European countries, both MAGIC 0 and MAGIC 2 cigarettes will exclusively use the Celanese CelFX® filter.

Incorporating Celanese CelFX® technology to cigarettes, however, does not mean that 22nd Century products incorporating the Celanese CelFX® filter are safe or without any health risks, or are less harmful than other tobacco products, or aim to reduce the effect of some harmful components of smoke, or have any other health or lifestyle benefits. The words “Very Low Nicotine” and “Low-Tar-to-Nicotine” will not appear on the products’ labelling or packaging in the European Union.

The agreement between 22nd Century and Celanese also includes exclusive rights for 22nd Century to market cigarette tubes containing Celanese CelFX® filters for Make-Your-Own consumers around the world. 22nd Century intends to market MAGIC cigarette tubes with Celanese CelFX® filters in North America, Europe and in the Asia-Pacific Region. For the near term however, due to regulatory restrictions on new tobacco products in the United States, 22nd Century does not intend to utilize Celanese’s CelFX® filters on finished cigarettes sold in the United States. 22nd Century products incorporating Celanese’s CelFX® filters have neither been submitted for FDA approval nor have they received FDA approval to be marketed in the United States as a modified risk tobacco product or smoking cessation device.

About 22nd Century Group, Inc.

22nd Century Group is a plant biotechnology company focused on technology which allows it to increase or decrease the level of nicotine in tobacco plants and the level of cannabinoids in cannabis plants through genetic engineering and plant breeding. The Company's primary mission is to reduce the harm caused by smoking. 22nd Century currently owns or exclusively controls more than 200 issued patents and more than 50 pending patent applications around the world. The Company's strong IP position led to a licensing agreement with British American Tobacco ("BAT"), the world's second largest tobacco company. Visit www.xxiiicentury.com, www.magiccigarettes.com, and www.redsuncigarettes.com for more information.

About Celanese

Celanese Corporation is a global technology leader in the production of differentiated chemistry solutions and specialty materials used in most major industries and consumer applications. Our two complementary business cores, Acetyl Chain and Materials Solutions, use the full breadth of Celanese's global chemistry, technology and business expertise to create value for our customers and the corporation. As we partner with our customers to solve their most critical business needs, we strive to make a positive impact on our communities and the world through The Celanese Foundation. Based in Dallas, Celanese employs approximately 7,000 employees worldwide and had 2015 net sales of \$5.7 billion. For more information about Celanese, visit www.celanese.com or its blog at www.celaneseblog.com.

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For more information about Celanese's CelFX® Matrix Technology, visit www.celfx.com.

Note: This press release is not intended for publication in countries which are members of the European Union. To the extent it is picked up in the EU, it should only be directed to professionals in the tobacco trade.

Cautionary Note Regarding Forward-Looking Statements: This press release contains forward-looking information, including all statements that are not statements of historical fact regarding the intent, belief or current expectations of 22nd Century Group, Inc., its directors or its officers with respect to the contents of this press release, including but not limited to our future revenue expectations. The words "may," "would," "will," "expect," "estimate," "anticipate," "believe," "intend" and similar expressions and variations thereof are intended to identify forward-looking statements. We cannot guarantee future results, levels of activity or performance. You should not place undue reliance on these forward-looking statements, which speak only as of the date that they were made. These cautionary statements should be considered with any written or oral forward-looking statements that we may issue in the future. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to reflect actual results, later events or circumstances, or to reflect the occurrence of unanticipated events. You should carefully review and consider the various disclosures made by us in our annual report on Form 10-K for the fiscal year ended December 31, 2015, filed on February 18, 2016, including the section entitled "Risk Factors," and our other reports filed with the U.S. Securities and Exchange Commission which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operation and cash flows. If one or more of these risks or uncertainties materialize, or if the underlying assumptions prove incorrect, our actual results may vary materially from those expected or projected.

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Investor Relations:
IRTH Communications
Andrew Haag, 866-976-4784
xxii@irthcommunications.com
or
Redington, Inc.
Tom Redington, 203-222-7399

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