

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

[Focus Graphite Inc.](#) (TSX VENTURE:FMS)(OTCQX:FCSMF)(FRANKFURT:FKC) ("Focus" or the "Company") announces the closing of the first tranche of a non-brokered private placement (the "Offering") for gross proceeds of \$429,829. The Company has issued 3,306,381 units (the "Units") at a price of \$0.13 per Unit, each Unit being comprised of one (1) common share of the Company and one common share purchase warrant (a "Warrant"), each Warrant entitling the holder thereof to acquire one (1) additional common share of the Company at a price of \$0.17 per share until August 28, 2019.

In connection with the closing of the first tranche of the Offering, the Company paid cash finder's fees totaling \$34,386 and issued 264,510 non-transferable warrants, each warrant entitling the holder to acquire one (1) common share of the Company at a price of \$0.17 per common share until August 28, 2017.

The securities issued in connection with the closing of the first tranche of the Offering are subject to a four-month hold period expiring on December 29, 2015. The Company expects to proceed shortly with the closing of a second tranche for total gross proceeds (including the first tranche) of up to \$2 million (15,384,616 Units). The Offering is subject to the final approval of the TSX Venture Exchange.

The securities offered pursuant to the Offering will not be registered under the United States *Securities Act of 1933* (the "Act") and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Act.

#### About Focus Graphite

[Focus Graphite Inc.](#) is an advanced mining development company with an objective of producing graphite concentrate at its Lac Knife deposit located south west of Fermont, Québec. In a second stage, to meet Quebec stakeholder interests of transformation within the province and to add shareholder value, Focus is evaluating the feasibility of producing value added graphite products including battery-grade spherical graphite.

The Lac Knife project hosts a Measured and Indicated Mineral Resource Estimate\* of 9.58 million tonnes grading 14.77% graphitic carbon (Cg) (432,000 tonnes Measured @ 23.66% Cg and 9,144,000 tonnes Indicated @ 14.35% Cg) as natural flake graphite with an additional Inferred Mineral Resource Estimate\* of 3.1 million tonnes grading 13.25% Cg. Focus' goal is to assume an industry leadership position by becoming a low-cost producer of technology-grade graphite concentrate.

The Feasibility Study filed with SEDAR on August 8, 2014 for the Lac Knife Project indicates the project is economically viable and has the potential to become a low cost graphite concentrate producer based on 7.86 million tonnes of Proven and Probable Mineral Reserves\*\* grading 15.13% Cg included in the Mineral Resource (429,000 tonnes Proven @ 23.61% Cg and 7,428,000 tonnes Probable @ 14.64% Cg).

On May 27, 2014 the Company announced the potential for high value added sales in the Li-ion battery sector following battery coin cell tests performed on Spherical Graphite ("SPG") produced from the Lac Knife graphite concentrate. Testing measured the performance metrics and confirmed Focus' capability to tailor lithium ion battery-anode-grade graphite and value added products to meet the most stringent customer specifications.

Focus Graphite is a technology-oriented graphite mining development company with a vision for building long-term, sustainable shareholder value. Focus also holds a significant equity position in graphene applications developer Grafoïd Inc.

*\* Mineral resources are not mineral reserves and do not have demonstrated economic viability*

*\*\* The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserve. The reference point for the Mineral Reserve Estimate is the mill feed.*

For more information about Focus Graphite, please visit [www.focusgraphite.com](http://www.focusgraphite.com).

#### Qualified Person

The above scientific and technical information about the exploration activities as defined in NI 43-101 s.1.1, was prepared, reviewed and approved by Benoit Lafrance, géo/P.Geo, Ph.D. (Québec), Vice-President of Exploration for Focus Graphite and a

## Forward Looking Statement

This News Release contains "forward-looking information" within the meaning of Canadian securities legislation. All information contained herein that is not clearly historical in nature may constitute forward-looking information. Generally, such forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: (i) volatile stock price; (ii) the general global markets and economic conditions; (iii) the possibility of write-downs and impairments; (iv) the risk associated with exploration, development and operations of mineral deposits; (v) the risk associated with establishing title to mineral properties and assets; (vi) the risks associated with entering into joint ventures; (vii) fluctuations in commodity prices; (viii) the risks associated with uninsurable risks arising during the course of exploration, development and production; (ix) competition faced by the Company in securing experienced personnel and financing; (x) access to adequate infrastructure to support mining, processing, development and exploration activities; (xi) the risks associated with changes in the mining regulatory regime governing the Company; (xii) the risks associated with the various environmental regulations the Company is subject to; (xiii) risks related to regulatory and permitting delays; (xiv) risks related to potential conflicts of interest; (xv) the reliance on key personnel; (xvi) liquidity risks; and (xvii) the risk of potential dilution through the issue of common shares. Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities, no material adverse change in metal prices, exploration and development plans proceeding in accordance with plans and such plans achieving their stated expected outcomes, receipt of required regulatory approvals, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended.

There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Such forward-looking information has been provided for the purpose of assisting investors in understanding the Company's business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this News Release, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws.

## Cautionary notes related to the industrial transformation plant project

Feasibility studies on any value-added industrial projects are not the same as feasibility studies for mineral projects as defined under NI 43-101 and CIM Definition Standards for Mineral Resources and Mineral Reserves. Although Focus continues to work towards its objective of developing value-added products using graphite concentrates to be produced at the Lac Knife project or obtained from other graphite concentrate producers, the Corporation reiterates its primary objective of advancing the Lac Knife mineral project towards production of large, medium and fine flake graphite concentrate as demonstrated in the Lac Knife Feasibility Study dated August 8, 2014 (a copy of which is available on SEDAR at [www.sedar.com](http://www.sedar.com)). The feasibility of a transformation plant for value-added products remains to be demonstrated and could be determined to be uneconomical and therefore not feasible for the Corporation. It is therefore possible that Focus never move forward with such transformation plant despite its corporate objective to do so. Readers are therefore cautioned against undue reliance on this corporate objective given its uncertainty at the present time. Focus intends to put the Lac Knife deposit into production despite any potential negative decision on the fabrication of value-added products.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the accuracy of this release.*

## Contact

[Focus Graphite Inc.](http://www.focusgraphite.com)

Mr. Gary Economo

Chief Executive Officer

+1-613-241-4040

[geconomo@focusgraphite.com](mailto:geconomo@focusgraphite.com)

[www.focusgraphite.com](http://www.focusgraphite.com)