

Tests Support That Cathodes Using Lac Knife's Expanded Graphite Exhibit Twice the Conductivity of Cathodes with Standard Grades of Synthetic and Natural Flake Graphites Used Commercially in Lithium Ion Batteries

OTTAWA, ONTARIO--(Marketwired - Mar 31, 2016) - [Focus Graphite Inc.](#), (TSX VENTURE:FMS)(OTCQX:FCSMF)(FRANKFURT:FKC) is pleased to report that independent testing of expanded natural flake graphite from its Lac Knife, Québec Project demonstrate nearly double the electrical conductivity over standard grades of synthetic and natural graphite used in Li-Ion battery cathode applications.

The two-year project, involving the preparation and testing of intercalated*, expanded** and delaminated*** Lac Knife graphite was supervised by Dr. Joseph E. Doninger, Focus' Director of Manufacturing and Technology.

Testing was performed between 2014 and 2016 under three contracts with a highly reputable and recognized international firm, with additional scientific investigations using Ramen microscopy provided by a well-known U.S. university laboratory. The names of the internationally recognized facilities were withheld for commercially competitive reasons.

The project began with the development of a modified ASTM C 611 Four Point Resistivity Tester in 2014 to compare the conductivity of different grades of Lac Knife graphite with competitive graphites followed by the development of processes and equipment for the intercalation, expansion and delamination of Lac Knife graphite for use in Li-Ion and alkaline batteries.

The project concluded in a presentation by Dr. Doninger to the 33rd International Battery Seminar and Exhibition in Fort Lauderdale, Florida on March 23, 2016.

A PDF version of Dr. Doninger's technical presentation entitled "*Long Term Cycling Performance and Conductivity Enhancement Characteristics of Lac Knife Flake Graphite from Quebec, Canada*" is available here:
<http://focusgraphite.com/wp-content/uploads/2016/03/battery-presentation-fms.pdf>

Expanded graphite is a form of processed natural crystalline flake, featuring dramatically improved electrical conductivity in electrode matrixes. Delaminated expanded flake is also preferable to conventional air-milled flake and/or premium quality synthetic graphites when higher conductivity properties are desired.

To view Figures 1 and 2, please click the following link: <http://media3.marketwire.com/docs/FGFigs1-2.pdf>

Due to its added-value benefits, expanded graphite typically commands larger revenue margins due to higher selling prices than the competitive grades of flake and synthetic graphite now being used for this application.

Niche markets that use expanded graphite include: specialty paints and coatings, cathodes of alkaline Zinc/Manganese Dioxide primary batteries, cathodes of zinc-air batteries and negative electrodes of lead-acid batteries.

Dr. Doninger said the test results lead to a number of potentially advantageous conclusions for using Lac Knife graphite in both the anodes and cathodes of Li Ion batteries to enhance overall battery efficiencies, including increased power, higher capacity, longer battery life and increased utilization of cathode active materials.

Current commercial pricing for these purified grades of synthetic and expanded flake graphite, said Dr. Doninger, varies from producer to producer, within a range of US \$14,000 per metric tonne to upwards of US \$30,000 per MT. The higher end of the price range is for a premium grade of synthetic graphite published in the Department of Energy-Argonne National Laboratory Annual Review report for the FreedomCAR Program in 2003.

"These data support our opinion that our value added expanded graphite products could leave Focus Graphite well positioned to compete successfully in international markets," said Dr. Doninger.

"And these high prices for graphites in the cathodes for Li Ion batteries, such as the Focus Lac Knife expanded graphite, creates an opportunity for continuing our research to achieve even greater conductivity enhancement additives," he added.

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 for use in the anodes of Li Ion batteries and exhibited high reversible capacities and low first cycle capacity losses. Subsequent test results were published on February 26, 2015 showing that the Lac Knife SPG exceeded the performance of commercially available grades of synthetic graphite in coin cells and on November 25, 2015 announced that the Lac Knife SPG showed excellent long term cycling performance with essentially zero capacity loss after 110 cycles. These news releases are available on SEDAR

(www.sedar.com) under [Focus Graphite Inc.](#)

** Intercalation of graphite is the process introducing chemical compounds in between the individual layers of flakes of graphite either chemically or electro-chemically as a necessary first step in the process to produce expanded graphite.*

*** Expanded graphite is the product produced by heating the intercalated graphite to 850C to form the expanded graphite worms.*

**** Delamination of graphite is the process of separating individual thinner flakes from the expanded graphite worms in such a way as to preserve the flake structure of the individual separated flakes.*

Qualified Persons:

Dr. Joseph E. Doninger, PhD, the Company's Director of Manufacturing and Technology; an Honorary Professor at the Kiev National University of Technologies and Design; an internationally recognized expert and author of numerous publications; a patent holder of various graphite production technologies and methodologies, and; a Co-Editor of the NATO Science Series Book entitled "New Carbon Based Materials for Energy Storage Systems," has reviewed and approved the technical content of this news release relating to the preparation and testing of intercalated*, expanded** and delaminated*** Lac Knife graphite and to the interpretation of the test results.

Mr. Marc-André Bernier, M.Sc, P.Geo (Québec and Ontario), a Director of the Company and a Qualified Person under National Instrument 43-101 - Standards of Disclosure for Mineral Projects, has reviewed and approved the technical content of this news release relating to the Lac Knife project mineral resource estimates and feasibility study report.

About Focus Graphite

[Focus Graphite Inc.](#) is an advanced exploration and development mining 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 Grafoid 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.

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.

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.

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