

OTTAWA, ONTARIO--(Marketwired - April 4, 2016) -

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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 \$1,531,549.95. The Company has issued 7,167,714 flow-through common shares (the "Flow-Through Shares") at a price of \$0.175 per Flow-Through Share and 1,848,000 units (the "Units") at a price of \$0.15 per Unit. Each Unit is comprised of one (1) common share and one common share purchase warrant (a "Warrant"). Each Warrant entitles its holder to purchase one (1) common share at a price of \$0.20 per share until April 1st, 2020.

In connection with the closing of the first tranche of the Offering, the Company paid cash finder's fees totaling \$113,803.99 and issued 670,742 non-transferable warrants, each warrant entitling the holder to acquire one (1) common share of the Company at a price of \$0.20 per common share until April 1st, 2020.

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 August 2, 2016. The Offering is subject to the final approval of the TSX Venture Exchange.

An insider of the Company participated in the Offering and subscribed for an aggregate of 571,429 Flow-Through Shares representing an aggregate amount of approximately \$100,000. Participation of insiders of the Company in the Offering constitutes a "related party transaction" as defined under *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* ("Regulation 61-101"). The Offering is exempt from the formal valuation and minority shareholder approval requirements of Regulation 61-101 as neither the fair market value of securities being issued to insiders nor the consideration being paid by insiders will exceed 25% of the Company's market capitalization. The Company did not file a material change report 21 days prior to the closing of the Offering as the details of the participation of insiders of the Company had not been confirmed at that time.

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 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.

Qualified Person

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.

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.

Contact

[Focus Graphite Inc.](#)

Mr. Gary Economo
Chief Executive Officer
+1-613-241-4040
geconomo@focusgraphite.com
www.focusgraphite.com