

CEYLON GRAPHITE TO COMMENCE GROUND EXPLORATION

March 28, 2017 – Ceylon Graphite Corp. (“Ceylon”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) announced that it has purchased a VLF- EM 16 Receiver that will be utilized by its field crew as the company commences a ground exploration program. The company will explore each one of the 116 grids by conducting a detailed electromagnetic mapping, that should provide the precise location(s) of the graphite vein(s) in each grid. The company currently has a drill rig on site that will drill the various veins and the core samples will be sent for analysis. The company’s goal is to build a geological database for future NI 43-101 resource estimation and to commence gathering bulk samples from grid sites to start a stock pile of graphite. In this context, the company has begun further site preparation of two high priority grids. The team will also locate and identify historic artisan mining operations on some grids and use these as the base infrastructure as mining operations are developed.

Bharat Parashar, Chief Executive Officer, said: “The EM16 will hasten the mapping all of our grids and this coupled with our drilling program will set the stage for phase II production.”

About Ceylon Graphite Corp.

Ceylon Graphite Corp is a public company listed on the TSX Venture Exchange (CYL:TSX-V), that is in the business of exploring for and development of graphite mines in Sri Lanka. The Government of Sri Lanka has granted the company exploration rights in a land package of over 100km². These exploration grids cover all relevant areas that had historical graphite production during the early twentieth century representing the majority of the known graphite occurrence in Sri Lanka. Ceylon’s graphite is the purest in the world, and currently accounts for less than 1% of the world graphite production.

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FORWARD LOOKING STATEMENTS: *This news release contains forward-looking information as such term is defined in applicable securities laws, which relate to future events or future performance and reflect management's current expectations and assumptions. The forward-looking information includes statements about the Company's expected increase in global exposure and anticipated investment from European investors. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company including the assumption that trading on the Frankfurt Stock Exchange will increase the Company's profile to European investors. Investors are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. Risk factors that could cause actual results to differ materially from the results expressed or implied by the forward-looking information include, among other things, a general economic downturn. The Company cautions the reader that the above list of risk factors is not exhaustive.*

These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or

circumstances. All of the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at www.sedar.com).

Further information regarding the Company is available at www.ceylongraphite.com

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