

## **Ceylon Graphite Announces New Discovery at Hakbewa Site**

**December 7<sup>th</sup> , 2018, Vancouver – Ceylon Graphite Corp.** (“Ceylon Graphite”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) today announced the discovery of three new, natural crystalline graphite veins over 15 cms in width between 68.93 meters and 69.53 meters downhole at its H1 site in the Hakbewa area in Sri Lanka. These veins were discovered in the normal course of drilling at the H1 site and samples from the discovery have been sent to the Sri Lanka Government’s Geological Survey and Mines Bureau’s laboratory for testing.

Coordinates of the drill location are E-130222, N-216410. The drilling azimuth is N30E and the dip is 55 degrees. This site is under the exploration license EL 222/R/2 .

The Company also announced that the length of its surface vein(seen below) at its P1 site is over 20 ft before it goes underground. Ceylon Graphite will continue trenching around the vein for another 10 to 20 ft to get a better perspective of the direction. The Company anticipates that there are additional similar sized or larger veins at lower depths and is planning to actively pursue its aggressive exploration and production plans for the P1 site.



“We are delighted at another discovery, this is outstanding. We now have identifiable graphite at all four sites we are developing.” said Bharat Parashar, Chief Executive Officer. “This discovery coupled with the veins we discovered earlier in the year at the K1 and M1 sites clearly demonstrates that Ceylon Graphite has a large resource base. Our graphite veins are impressive by any standard. We continue to focus on our plan to start commercial production imminently and continue with a robust exploration program on our other grids. This is a great year end present.”

### **Qualified Person**

Robert Marvin, P. Geo (ONT) is a Qualified Person under National Instrument 43-101 and has reviewed and approved the geological information provided in this news release.

### **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 exploration 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 120km<sup>2</sup>. These exploration grids (each one square kilometer in area) cover areas of historic graphite production from the early twentieth century and represent a majority of the known graphite occurrences in Sri Lanka. Graphite mined in Sri Lanka is known to be some of the purest in the world, and currently accounts for less than 1% of the world graphite production.

**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 Ceylon Graphite's grids, Ceylon Graphite's plans to undertake additional drilling and to develop a mine plan, Ceylon Graphite's Mining License application and to commence establishing mining operations. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to Ceylon Graphite, including the assumption that, the drilling exercises will confirm the presence of high quality graphite, sufficient financial resources will be available, the records*

*from the drilling exercises prove to be accurate, there will be no unanticipated delays or costs materially affecting Ceylon Graphite's exploration, development and production, there will be no material adverse change in metal prices, all necessary consents, licenses, permits and approvals will be obtained, including various Local Government Licenses and the market. 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, an inability to reach a final acquisition agreement, inaccurate results from the drilling exercises, a failure to obtain or delays in obtaining the required regulatory licenses, permits, approvals and consents, an inability to access financing as needed, a general economic downturn, a volatile stock price, labour strikes, political unrest, changes in the mining regulatory regime governing Ceylon Graphite, a failure to comply with environmental regulations and a weakening of market and industry reliance on high quality graphite. Ceylon Graphite 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, Ceylon Graphite 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](http://www.sedar.com))*

Further information regarding the Company is available at  
[www.ceylongraphite.com](http://www.ceylongraphite.com)

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