

Ceylon Graphite Tops Spherical Graphite Parameters

November 6th, 2018 - Vancouver, BC - Ceylon Graphite Corp. (“Ceylon Graphite” or the “Company”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) announced today that Dorfner Analysenzentrum und Anlagenplanungsgesellschaft mbH ("ANZAPLAN") has certified graphite obtained from its K 1 exploration site meets the parameters of spherical graphite required for battery and energy storage applications.

These tests conducted by ANZAPLAN over the last month confirm Ceylon Graphite’s end goal of producing premium battery grade spheroidized product for prospective lithium-ion battery manufacturers and other energy storage end-users.

The spheroidization process converts the needle-shaped particles into spherical particles. For different battery applications different median particle sizes are required. The spherical shape is achieved using a combined mechanical spheroidization and classification unit. The spheroidization process is performed in the treatment zone while the classification process separates the spherical graphite product from generated fines.

Bharat Parashar, Chief Executive Officer of Ceylon Graphite states: “Another arrow to our quiver. We have now proved to the world that Ceylon Graphite has the ability to provide battery grade spheroidized graphite to battery manufacturers and energy storage companies. We have both large reserves and quality natural graphite. Our next steps will be to start tangible discussions with the major players in this fast growing sector and to start fabricating our own processing plants in Sri Lanka.”

TECHNICAL INFORMATION

The main quality parameters of spherical graphite products are tap density, shape of particles, surface area (BET), PSD (particle size distribution) characterized by ratio of D_{90}/D_{10} and the purity of graphite. The tap density specifies the amenability of the product to compaction. This parameter is related to the shape and roundness of the particles and should be in the range of around 0.85 g/cm^3 for finer spherical graphite products (D_{50} of $10 \mu\text{m}$ to $\sim 15 \mu\text{m}$) and $> 0.95 \text{ g/cm}^3$ for coarser products ($D_{50} \sim 15 \mu\text{m}$ to $25 \mu\text{m}$). The BET value is an indication for the compactness of particles; typical values are 6 to $8 \text{ m}^2/\text{g}$. Both tap density and BET are strongly related to the PSD of the spherical graphite product. Tap density decreases with increasing particle fineness while the BET value increases. The ratio of D_{90}/D_{10} gives an indication of the steepness of the slope of the PSD. For spherical graphite a ratio < 4 for finer spherical graphite products and < 3 for coarser spherical graphite products is typical, ensuring a narrow PSD.

Different D_{50} particle sizes for SPG are required for individual battery applications as follows:

- Grid storage: $D_{50} \sim 25 \mu\text{m}$
- Electric vehicles: $D_{50} \sim 16 \mu\text{m}$
- Hybrid vehicles and consumer electronics: $D_{50} \sim 10 \mu\text{m}$

In Table 1 the analytical results of SPG product CE SP S1 obtained from Ceylon Graphite flotation concentrate are exhibited. In addition typical uncoated spherical graphite products (Ref 10/Ref 26) were added for comparison. A product with a D₅₀ value of 19.4 μm was generated.

All analyzed parameters of the obtained spherical graphite product are in the range of typical comparable products. SEM images display well rounded spherical graphite particles similar to products on the market

Table 1: Tap density, D₅₀ values, ratio D₉₀/D₁₀, surface area (BET) and yield of SPG products

	Tap Density	D₅₀	Ratio D₉₀/D₁₀	BET	Yield
	[g/cm ³]	[μm]	[-]	[m ² /g]	[wt.- %]
CE S11	0.95	19.4	3.1	7.3	55.4
CE SP S1	0.94	17.5	2.9	6.6	49.5
Typical SPG Values					
Fine Product	>0.85	10-14	< 4	< 8	
Medium Product	>0.90	17-19	< 3.5	< 6.5	
Coarse Product	>0.95	19-25	< 3	< 6	
Reference Materials					
Ref 10	0.88	12.1	2.6		
Ref 11	1.11	23.4	2.8		

Dorfner ANZAPLAN and its laboratory, based in Hirschau, Germany are accredited by the DAkkS-accreditation chamber, which is a signatory to the multilateral agreements of EA, ILAC and IAF for mutual recognition, meaning that analyses and testing by ANZAPLAN is internationally accepted. In addition, services by Dorfner ANZAPLAN are certified and approved by ISO 9001:2015 and ISO 14001:2015.

Dr. Sebastian Prinz of Dorfner ANZAPLAN, confirmed this result and added that Sri Lankan vein natural graphite is of high quality and presents an advantage over conventional flake graphite as the beneficiation effort required to achieve high grade spherical graphite is reduced.

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 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 120km². 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 a 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)

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

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