

## **Ceylon Graphite Announces Proposed Private Placement of Units and Proposed Amendment of Convertible Debentures**

**September 19, 2019, Vancouver – Ceylon Graphite Corp.** (“Ceylon Graphite” or the “Company”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) announces its intention to complete a non-brokered private placement of units and to amend the terms of convertible debentures issued by Ceylon Graphite on May 23, 2018.

### **Proposed Private Placement of Units**

The Company proposes to complete a non-brokered private placement of units (“Units”) at a price of \$0.08 per Unit for gross proceed of up to \$1,250,000. Each Unit will be comprised of one common share in the capital of Ceylon Graphite (a “Unit Share”) and one whole warrant (“Warrant”), with each Warrant entitling the holder thereof to acquire one common share in the capital of Ceylon Graphite (“Warrant Share”) at a price of \$0.15 per share for a period of two years from the date of issuance (collectively, the “Offering”). Closing of the Offering is subject to the approval of the TSX Venture Exchange and is anticipated to occur on or before September 30, 2019, or such other date as the Company may determine.

### **Amendment of Convertible Debentures**

The Company also announces its intention to amend the terms of certain convertible debentures (“Convertible Debentures”) that were issued by the Company on May 23, 2018. The Convertible Debentures currently entitle the holders thereof to convert the principal balance thereof into common shares of Ceylon Graphite at a price of \$0.25 per share. The Company intends to amend the conversion price of the Convertible Debentures to \$0.15 per share. The amendment of the terms of the Convertible Debentures is subject to the approval of the TSX Venture Exchange.

### **About Ceylon Graphite Corp.**

Ceylon Graphite, is a public company listed on the TSX Venture Exchange (CYL:TSX-V), that is in the business of mining for graphite, plus the exploration for and development of graphite mines in Sri Lanka. The Government of Sri Lanka has granted the Company an IML Category A license for it’s K1 site and 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 the Company's grids, the Company's plans to undertake additional drilling and to develop a mine plan, the Company'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 the Company, 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 the Company'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 the Company, a failure to comply with environmental regulations and a weakening of market and industry reliance on high quality graphite. 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](http://www.sedar.com))*

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

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Chairman & Chief Executive Officer

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