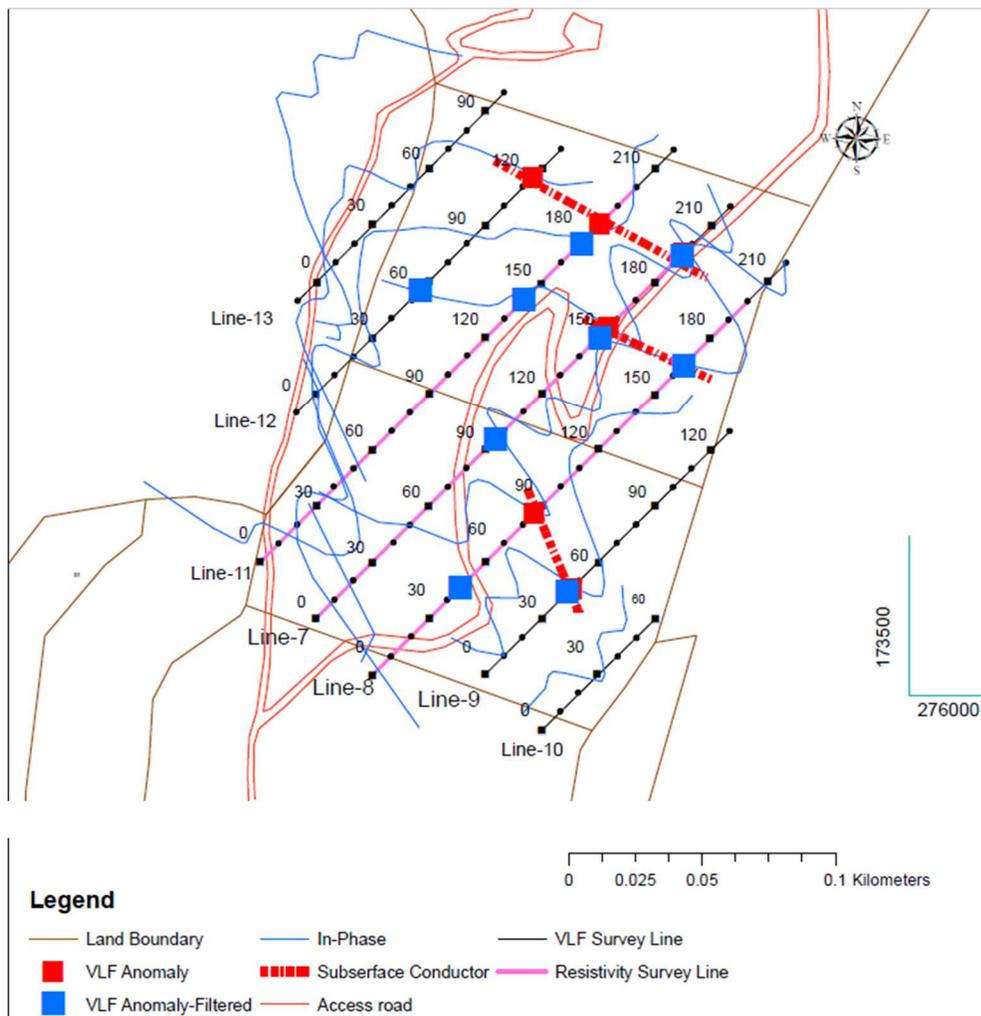
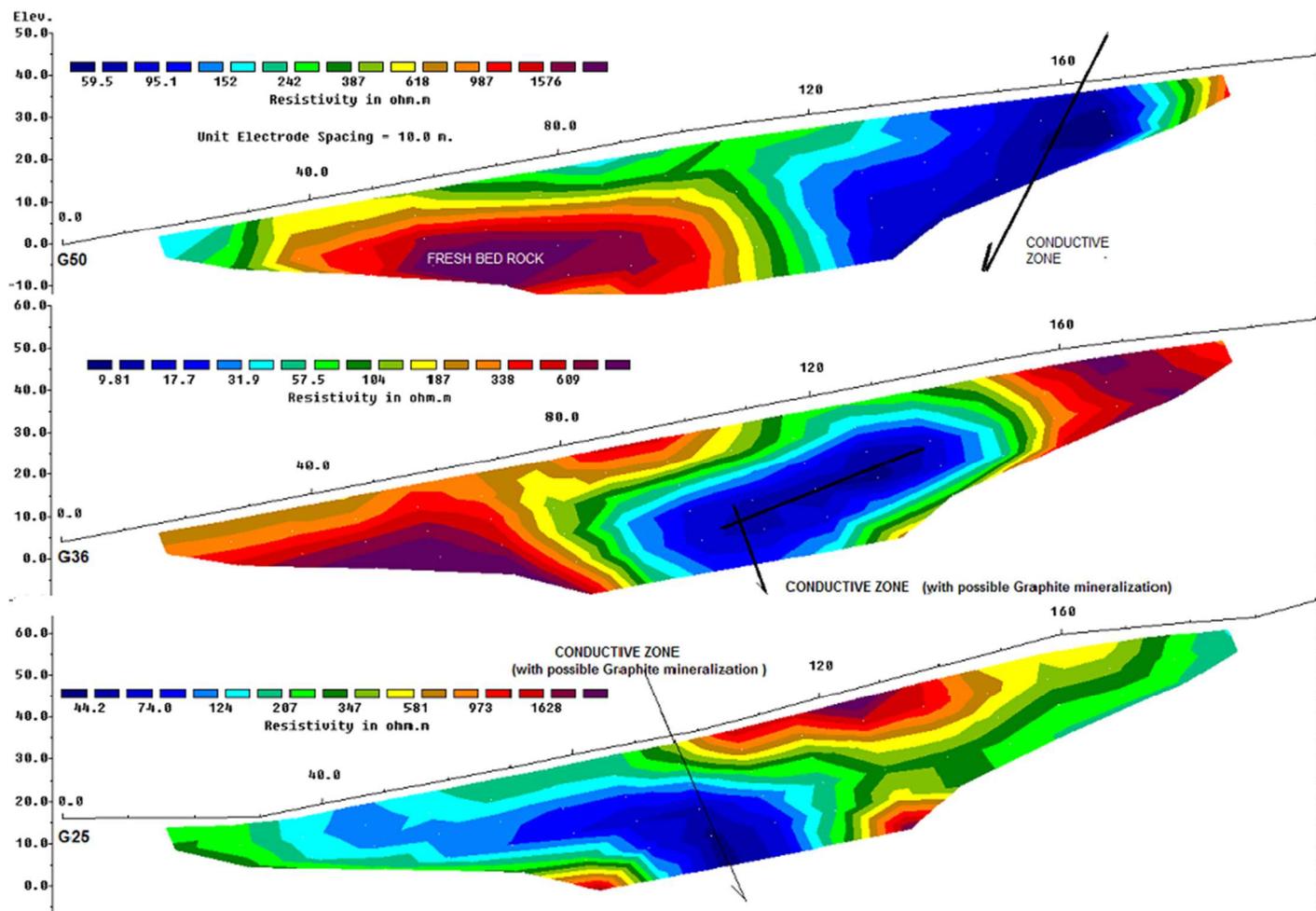


Ceylon Graphite Announces New Discovery M1 Site

May 15th , 2019, Vancouver – Ceylon Graphite Corp. (“Ceylon Graphite”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) today announced the discovery of a new, natural crystalline graphite vein over 30 cm in width, 10 feet downhole at its M1 site in the Malsiripura area in Sri Lanka. This vein was discovered in the normal course of digging a ventilation shaft at the M1 site and samples from the discovery have been sent to the Sri Lanka Government’s Geological Survey and Mines Bureau’s laboratory for testing.



The map above shows the anomalies of VLF data and resistivity images in the Southern section of our Grids. The exact location of our dig is 120m on line 7.



The diagram above shows the resistivity profiles along line 11,7 and 8 in the Southern Section. All three resistivity imaging profiles in the southern section of the land, indicate presence of a conductive zone across the northern and central parts of the profiles. This zone also matches with the anomalies indicated on the Electromagnetic profiles. It should be noted that the formation resistivity values of the conductive zones that appear on the resistivity profile of Line No. 7 (in the Southern section) is extremely low and hence without doubt can be confirmed due to occurrence of graphite bodies in the sub surface. This has been proven with the recent discovery.

“We are delighted at this discovery; it shows that our mapping is correct and that we anticipate a major find as shown in blue above. We now have identifiable graphite at surface and below the surface in the overburden. A 30 cm (one foot)

vein is impressive by any standards.” said Bharat Parashar, Chief Executive Officer. “This discovery coupled with the veins we discovered earlier in the year at our other sites clearly demonstrates that Ceylon Graphite has a large resource base. We feel the M1 site will be one of the largest in Sri Lanka. Our plan to start commercial production at our K1 site imminently is nearing fructification and we hope to start producing at M1 by the fourth quarter.”

The Company also announces it has awarded 100,000 share options to each of its Non-Executive Directors. In addition, the Company announces that it has elected not to proceed with its proposed share for debt transaction, as previously disclosed in its January 16, 2019 press release

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 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 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

Bharat Parashar, Chairman and & Chief Executive Officer

Chairman & Chief Executive Officer

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