

Ceylon Graphite Files NI 43-101 Technical Report With Initial Mineral Resource Estimate For K1 Mine

December 6, 2021, Vancouver – Ceylon Graphite Corp. (“Ceylon Graphite”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) is pleased to report the filing on SEDAR the results of an initial NI 43-101 Mineral Resource estimate for the K1 Mine Project in Sri Lanka. Total Indicated and Inferred Resources of 274,489 Tonnes at a grade of +90% Cg

Based on the exploration results of geological mapping, geophysical evidence, studying abandoned mine works and exposures and drill hole data along with historical records and geological setting of the area the resources have been calculated as: i) Indicated resources and ii) Inferred resources. (Table One).

Table One: Assessment of Resources at K1 Mine Site

Vein System	Average Vein Width (m)	Assumed Area of the Vein (m²)	Assuming Volume (m³)	Indicated Resources (MT)	Depth (M)
01	0.26405	142x145	6,000	13,380	145
02	0.27275	142x145	5,616	12,523	
03	0.26840	142x145	5,526	12,323	
04	0.32080	142x145	6,605	14,729	
Total Indicated Resources				52,955	
All 4 veins	4.50	142x138	352,728	194,000	283
All 4 veins	0.40	142x220	49,984	27,491	503
Total Inferred resources (up to 503m level)				221,491	
Total Indicated and inferred resources				274,489	+90% Cg

Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Ceylon CEO, Don Baxter commented: “We are very pleased with this strong resource estimate for the K1 Mine. K1 is the first of potentially 10+ mining prospects of similar potential contained within our land package, covering 30,000 acres containing many of the 3,000 abandoned mines.

We are seeing a global recognition of Critical Raw Materials necessary for the energy transition to a carbon zero society. Natural graphite is on the list as it nearly half the volume of active materials in electric vehicle batteries as it is used in the anode. Benchmark Mineral Intelligence projects graphite demand for anodes to reach 4 million tonnes by 2030. Ceylon will continue to add resources to inventory of the now globally significant Sri Lankan Vein Graphite Deposits.”

Figure 1: K1 HeadFrame

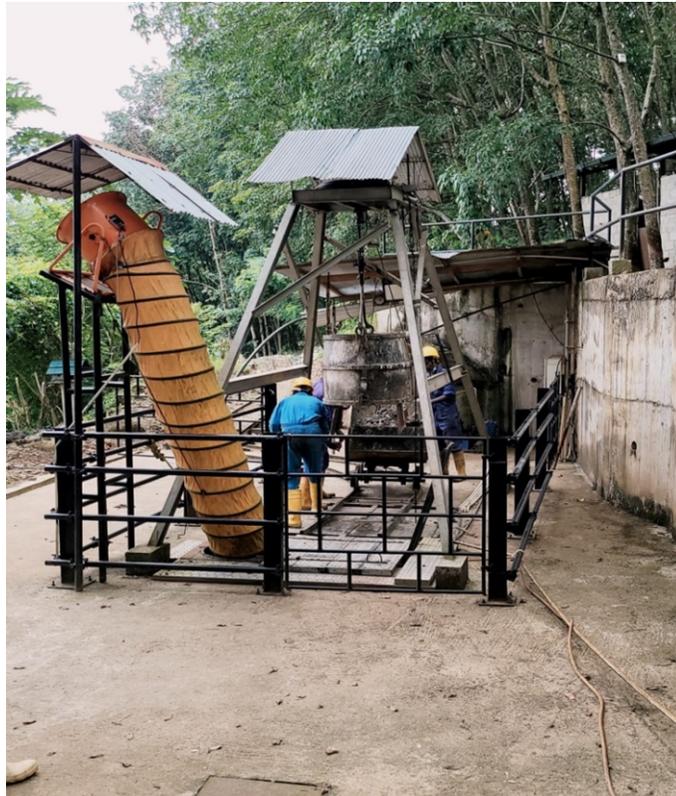
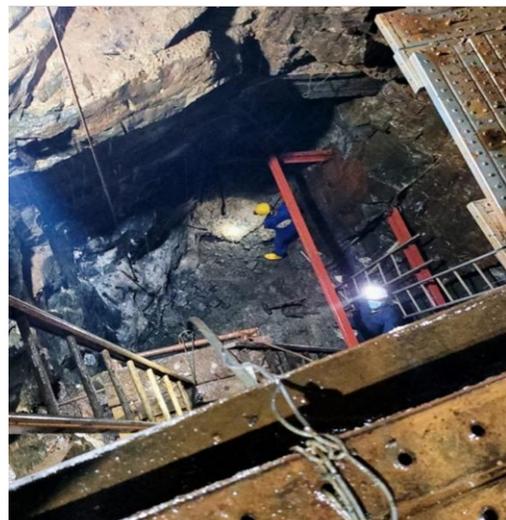


Figure 2: Hoisting Material K1 Mine



Figure 3: Deepening Main Shaft K1Mine



Ceylon's significant resource and our energy products division, Ceylon Graphite Technologies(UK) will allow The Company to evolve into a stand-alone battery technology company, with exclusive access to a lower cost and, unique, high performance battery grade graphite, sourced from our wholly owned deposits in Sri Lanka.

QUALIFIED PERSON

Donald K. D. Baxter, P.Eng., CEO of Ceylon Graphite Corp., is a Qualified Person as defined by National Instrument 43-101 ("N.I. 43-101") guidelines, and has reviewed and approved the content of this news release.

About Ceylon Graphite Corp.

Ceylon Graphite is a public company listed on the TSX Venture Exchange, that is in the business of mining for graphite, and developing and commercializing innovative graphene and graphite applications and products. Graphite mined in Sri Lanka is known to be some of the purest in the world and has been confirmed to be suitable to be easily upgradable for a range of applications including the high-growth electric vehicle and battery storage markets as well as construction, healthcare and paints and coatings sectors. The Government of Sri Lanka has granted the Company's wholly owned subsidiary Sarcon Development (Pvt) Ltd. an IML Category A license for its K1 mine and 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.

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

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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 Ceylon Graphite's grids, Ceylon Graphite's plans to undertake additional drilling and to develop a mine plan, 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, 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.