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CEYLON GRAPHITE

Ceylon Graphite's Anode Graphite in Full Cell Lithium Ion Batteries Outperforms Leading Commercial Synthetic Graphite

- ✓ Ceylon Graphite completes full cell testing at University College London (UCL)
- ✓ Ceylon's unique natural vein graphite material has outperformed an Industry Standard synthetic graphite- CYL discharge capacity of 165 mAh/g, as compared to the Industry Standard of 153mAg/g
- ✓ Very small loss in capacity on 50 cycles
- ✓ We believe that the impressive performance of our vein graphite material is due to
  - High crystallinity of vein graphite
  - High purity and further purification technology
  - CYL proprietary coating and spherodizing technology
- ✓ Ceylon has a mine to battery strategy that will mazimize the value of our high grade Sri Lankan vein graphite by transforming into anode graphite for the rapidly growing lithium ion battery market.

November 23 , 2021, Vancouver – Ceylon Graphite Corp. ("Ceylon Graphite") (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) is pleased to announce that it has achieved a significant breakthrough in the performance of its vein graphite anode material in full cells for the lithium-ion ("Li-ion") battery market. In tests at a leading global, independent facility, University College London (UCL), Ceylon's vein graphite anode material far exceeded comparable anodes made ***with industry standard commercial synthetic graphite. This is the first time in battery research history that commercial spherodized vein graphite materials were tested in a lithium ion battery in a full cell.***

Results came in at 161 and 165 mAh/g for specific discharge capacity (SDC) for our vein graphite materials, which is beyond what is expected for the best current commercially used synthetic graphite with a specific capacity of 153 mAh/g (summarized in Chart Below).

Extended cycling exhibited reversible charge/discharge behaviour with less than 10% overall capacity loss over 50 cycles. The C/5 stable cycling (25 to 50) gives an average reversible capacity of 155mAh/g for the best performing vein graphite material, compared to 139mAh/g for standard synthetic graphite. The batteries were tested in a full cell system at a rate of C/5, meaning 5 hours to charge and 5 hours to discharge, hence completing about 2+ full cycles per day, from 25 to 50 cycles. The Chart below illustrates the cycling of Ceylon's anode material versus the standard synthetic:

The outstanding performance of Ceylon's vein graphite material against the current commercially used synthetic graphite is due to the high crystallinity of Sri Lankan vein graphite and the near- perfect morphology of the coated spherodized anode material (shown in the SEM image) produced by proprietary processing and spherodizing technology of Ceylon Graphite Technologies. The initial results prove the suitability of our material for lithium ion battery anodes for either stand alone or possible blending with synthetic graphite..

Dr Dan Brett, Professor of Electrochemical Engineering At UCL stated: "*These are very promising results and I'm excited at the prospect of Sri Lanka using this wonderful natural resource to play a major role in realising the 'age of electrochemical power' and achieving Net Zero.*" Dr. Brett is Professor of Electrochemical Engineering at UCL, where he is a director of

the Electrochemical Innovation Lab (EIL) and Advanced Propulsion Lab (APL). He is an academic founder of the Faraday Institution and member of the Expert Panel.

Ceylon CEO, Don Baxter stated, " We had very good results from our initial coin cell battery tests, but was excited to see my expectations for full cell batteries being far exceeded by our vein graphite. These results are a highly significant development for Ceylon. The unique characteristics of our Sri Lankan vein graphite combined with our proprietary processing technologies produces a Li-ion battery with significantly higher power and energy as tested by UCL. Based on the results,Ceylon's graphite will set a new industry standard. In addition, we believe that the energy consumption of the end to end process of producing battery grade anode material from vein graphite is the lowest, relative to synthetic and flake graphite, because of the fact that vein graphite from Sri Lanka does not require primary processing, due to the high in situ grade above 90%Cg."

The ongoing testing and optimization of Ceylon's battery materials and Ceylon's unique position in the market create optionality for scale-up development, commercial partnerships and sales of advanced materials. Ceylon's significant resource positions 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 highest grade 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

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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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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

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.