

CEYLON GRAPHITE TO EXTEND WARRANT EXERCISE PERIOD

October 14 , 2021, Vancouver – Ceylon Graphite Corp. (“Ceylon Graphite”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) announces that it has sought the approval of the TSX Venture Exchange to extend the exercise period of an aggregate of 10,500,000 common share purchase warrants (the “Warrants”). The Warrants were issued to subscribers as part of Ceylon’s multi-tranche private placement which closed on October 16, 2019 and December 6, 2019, respectively.

Approval from the TSX Venture Exchange is subject to the issuance of this press release. Upon acceptance, the exercise period of the Warrants will be extended by one year from October 16, 2021 to October 16, 2022 and December 6, 2021 to December 6, 2022, respectively.

All other terms and conditions of the Warrants will remain unchanged.

A portion of the Warrants is held by an insider of the Corporation. Therefore, the amendment of Warrants constitutes a “related party transaction” as contemplated by Multilateral Instrument 61-101 Protection of Minority Shareholders in Special Transactions, and TSX Venture Policy 5.9 - Protection of Minority Shareholders in Special Transactions. However, the exemptions from formal valuation and minority approval requirements provided for by these guidelines can be relied upon as the fair market value of the Warrants does not exceed 25% of the market capitalization of the Corporation.

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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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.