

Ceylon Graphite Announces Appointment of CFO and Debt Settlement

September 12, 2023 - Ceylon Graphite Corp. (“Ceylon” or the “Company”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) is pleased to announce that Michael Kinley has been appointed the Chief Financial Officer of the Company effective immediately.

Mr. Kinley is a Chartered Professional Accountant with extensive public company experience having served as CFO for a number of junior public companies for the past thirty years. Previously, Mr. Kinley was a partner with KPMG.

Mr. Kinley is succeeding Abbey Abdiye in the role of Chief Financial Officer of Ceylon. Ceylon would like to thank Mr. Abdiye for his past contributions and wishes him success in his future endeavours.

Ceylon also announces it has entered into agreements to settle an aggregate of \$51,000 of indebtedness owing to a director, officer and former officer of the Company through the issuance of an aggregate of 927,273 common shares of the Company at a deemed issuance price of C\$0.055 per common share (the “**Debt Settlement**”). The issuance of the common shares to settle outstanding indebtedness remains subject to receipt of TSX Venture Exchange approval and upon issuance will be subject to a four-month hold period under applicable securities laws.

The participation by the insiders in the Debt Settlement is considered a “related party transaction” as defined under Multilateral Instrument 61-101 (“*MI 61-101*”). The transaction will be exempt from the formal valuation and minority shareholder approval requirements under MI 61-101 on the basis that the Debt Settlement with related parties constitutes the distribution of securities of the Company for cash consideration of less than \$2.5 million. Neither the Company nor, to the knowledge of the Company after reasonable inquiry, the related parties, have knowledge of any material information concerning the Company or its securities that has not been generally disclosed. The debt settlement with each related party was unanimously approved by the Company's independent directors. The Company will file a material change report in connection with the Debt Settlement but likely not before 21 days prior to the closing of the Debt Settlement, which the Company deems reasonable in the circumstances so as to be able to close the Debt Settlement as expeditiously as possible.

About Ceylon Graphite Corp.

Ceylon 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.

Further information regarding Ceylon is available at www.ceylongraphite.com

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Corporate Communications

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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

Cautionary Statement Regarding Forward-Looking Information:

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 timing and completion of the Debt Settlement, regulatory approvals, potential value of products produced with Ceylon graphite, distribution of Ceylon's graphite to a variety of jurisdictions, applications for future graphite applications, Ceylon's role as a potential market leader, expectations related to development of Ceylon's properties and Ceylon's mining operations. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to Ceylon, including the assumption that, there are no material adverse changes effecting development and production at the M1 mine or on other properties, testing related to the performance of Ceylon's vein graphite material are accurate, there will be no material adverse change in graphite and metal prices, there will be continued demand for graphite powered batteries, all necessary consents, licenses, permits and approvals will be obtained, including various Local Government Licenses. 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, the results of Ceylon's graphite testing being inaccurate or incomplete, the market for graphite related technologies not developing as expected, failure to obtain or maintain patents and proprietary technology, loss or

failure to acquire available high quality graphite, any failures to obtain or delays in obtaining 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, a failure to comply with environmental regulations and a weakening of market and industry reliance on high quality graphite. Ceylon cautions the reader that the above list of risk factors is not exhaustive.