

## **Ceylon Graphite Garners New Sales Interest and Expands Discussions with Customer Targets**

July 6, 2023 – Vancouver - Ceylon Graphite Corp. (“Ceylon Graphite”) (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) announced today the company has received new inbound sales inquiries and continues to advance commercial discussions with a range of buyers including those seeking direct ship material, others for value-added end products, graphene products and anode material production.

“There has been a significant increase in activity with potential buyers and I am confident that there are many customer options as the company scales production,” said Ceylon CEO, Sasha Jacob. “Although the company has not yet concluded any agreements for the sale of its graphite, interest has been received from customers in Asia, Europe and North America. Ceylon will continue to evaluate opportunities to capture the greatest margin at incremental stages of production volume increases.”

The company also announced the completion of its new explosives magazine, allowing the company to stockpile sufficient munitions to continue expanded production without concerns of delays due to explosives delivery approvals.

This is an important step for the company as many historical delays have been related to delay in permits and delivery of explosives for blasting to access the best veins of Ceylon’s high-carbon graphite. The new magazine lets the company stockpile sufficient supply safely, to help avoid future potential mining delays.

The company experienced a recent delay in receiving its explosives permit due to a change in licensing authorities in Sri Lanka. Based on conversations with the government authorities, it is expected that the explosives permit will be issued together with the M1 mining licence extension in the near term. The company is ready to commence commercial production once the permit is received.

M1 graphite is predominantly above 95% carbon allowing for direct sales without further processing. The company anticipates building a graphite processing plant at site to process the graphite to 99%+. Members of the team have built such a plant previously and the company expects a quick return on investment given the significant value added in processing 99%+ material.

Test results published in March 2023 demonstrated that Ceylon Graphite’s vein graphite anode material exceeded comparable anodes made with industry standard commercial synthetic graphite.

## QUALIFIED PERSON

Dr. Ranjith Premasiri, PhD, MPhil, Bsc, CGeol (UK) FGeol (UK) CGeol (SL), an employee of Sarcon Development (Pvt) Ltd. and not independent to Ceylon Graphite, is a “Qualified Person” as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* 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 Ceylon Graphite’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 120km<sup>2</sup>. 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 Ceylon Graphite is available at [www.ceylongraphite.com](http://www.ceylongraphite.com)

Sasha Jacob, Chief Executive Officer and Rita Thiel, Chair of the Board of Directors

info@ceylongraphite.com

Corporate Communications

+1(604) 924-8695

*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, development plans related to its explosive magazine, expectations related to cashflow, expectations related to development of Ceylon Graphite’s properties,*

*permitting for the M1 mine, strategic partnerships, potential customers and sales, plans for Ceylon Graphite's subsidiaries and Ceylon Graphite'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 Graphite, 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 Graphite'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 Graphite's graphite testing being inaccurate or incomplete, 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 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.*