

Ceylon Graphite Enters Into Purchase and Distribution Agreement with GES Europe

July 29, 2024 - Ceylon Graphite Corp. ("Ceylon") (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) is pleased to announce it has entered into a purchase and distribution agreement with GES Europe GmbH ("GES"), www.geseurope.de, a global leader in graphite product distribution and sales.

"Ceylon's graphite has uniquely high natural carbon characteristics that exceed those of any other natural graphite suppliers we have seen", said Benjamin Sarkozy, GES's CEO. "The extremely high graphite grade, low environmental footprint and superior performance characteristics are tremendously beneficial to our customers. Our clients cover the range from battery manufacturers to construction materials and defence industry applications. We are excited to supply Ceylon Graphite to the global market and to collaborate on a range of opportunities."

GES expects the range of products using Ceylon graphite to include, amongst others, 95%+ C direct ship graphite as well as thermally purified 99% C grade. GES will provide customer outreach, market entry strategy development, market research and contract negotiation.

The distribution agreement provides GES preferred pricing FOB Colombo and guaranteed supply if certain volume thresholds are maintained for an initial period of 12 months. The agreement provides certain distribution exclusivity within Europe but does not restrict Ceylon from any other direct sales or agreements.

"We are pleased to be working with GES and their sector leading management team", said Sasha Jacob, Ceylon CEO. "We have never seen this much demand for our high-carbon, low-environmental footprint natural vein graphite. Demand for non-Chinese supply is at a historic high following the announcement by China curtailing government exports and President Biden's recent announcement introducing a 25% tariff increase on Chinese graphite."

About GES Europe GmbH (GES)

GES Europe GmbH, a dynamic and innovative company based in Wiesbaden, Germany, specializes in the manufacture, trade, and processing of synthetic and natural graphite. With a commitment to excellence and a focus on key markets such as steel, lubrication, renewable energies, and battery anodes, GES Europe, together with its strategic partners, belongs to the leading importers of graphite on the continents of Europe and Africa.

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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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 the potential value of products produced with Ceylon graphite, applications for future graphite applications, Ceylon's role as a potential market leader, expectations related to development of Ceylon's properties, strategic partnerships, potential customers and sales, plans for Ceylon's subsidiaries 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.