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## **CANADA CARBON PROVIDES UPDATE ON ITS FLAGSHIP MILLER GRAPHITE AND MARBLE PROJECT**

**September 11<sup>th</sup>, 2017, Vancouver, BC, Canada – Canada Carbon Inc. (the “Company”) (TSX-V:CCB), (FF:U7N1)** is pleased to provide an update on its continued progress towards the permitting for a marble quarry and a graphite mine on its flagship Miller Project in southwestern Quebec.

### **Drill Program**

A 2,358 metre (31 holes) drill campaign was completed on August 12<sup>th</sup>, 2017, as Phase 1 of the summer drill program announced on June 5, 2017. Phase 1 included individual holes into 11 high priority targets with enhanced potential for graphite rich mineralization on strike or depth extension from previously sampled high-grade marble and skarn units proximal to paragneiss contacts. Other graphite exploration drilling included 8 holes to sample geophysical anomalies previously identified by the Company. Preliminary visual examination of the recovered core indicates the presence of disseminated graphite mineralization and veins at 94 vertical meters depth southeast of the VN6 showing, which correlates well with a SE extension of that well mineralized zone. Additionally, the Company drilled 12 holes north of its currently defined white architectural marble unit. All of the graphite mineralized drill cores were split and sent to Actlabs (Ancaster, Ontario), for graphite assay (results pending). A field visit and update of the geological model are being planned by Canada Carbon and SGS Canada, following which drill collar locations will be selected for Phase 2 of the summer drill program.

The Company is pleased to report that the marble body was extended by 197 meters towards the north from the zone defined in the Company's Preliminary Economic Assessment (“PEA”, effective date March 4, 2016), increasing the known length of the marble unit by about 70%, all of which remains open at depth. This should allow the Company to minimize its impact on the environment during quarrying operations while potentially extending the life of the quarry. Logging of the marble core samples is underway to evaluate the quality and continuity of the extended marble unit. On November 16<sup>th</sup>, 2015, the Company announced the signing of an off-take agreement for 75,000 tonnes of marble per annum ([https://www.canadacarbon.com/newsdetail?&newsfile=ccb\\_20151116.htm](https://www.canadacarbon.com/newsdetail?&newsfile=ccb_20151116.htm)), which will become effective for a term of one year (renewable) upon receipt of all required government approvals for the marble quarry.

### **Environment**

The Company mandated BluMetric Environmental Inc. to complete additional assessments needed to finalize an application for a Certificate of Authorization (“CA”) from the Ministry of Sustainable Development, Environment and Fight Against Climate Change (“MSDEFACC”) for the quarrying of marble. The application for the CA is expected to be ready in 2 months, with the final environmental assessment work already underway. Following completion of these assessments, the Company will publish the final environmental impact report for the Miller marble quarry.

The CA will be reviewed by the MSDEFACC after the authorization to use the land for a purpose other than agriculture is issued by the Commission for the Protection of Quebec Agricultural Territories (“CPTAQ”). In a letter from the CPTAQ dated July 10<sup>th</sup>, 2017, the Commission affirmed that it was assessing the Company's application, and would issue a preliminary decision as soon as possible.

### **Hydrogeology Report from Grenville-sur-la-Rouge**

The Company is pleased to disclose that an independent hydrogeological report on the Grenville-sur-la-Rouge (“GSLR”) municipal well and its protected areas was completed on May 31<sup>st</sup>, 2017. The report states that the municipal well near Calumet is in a different drainage basin than the Miller Project, and is thus isolated from it. This report reaches similar conclusions to the independent hydrogeological report for the Village of Grenville disclosed in a news release dated July 18<sup>th</sup>, 2017, indicating that its well is similarly separated by surface geology from the Miller Project.

From page 7 of the GSLR report, translated from the original French, “The graphite deposit (Miller Property), 3.2 kilometers away (from the municipal well at Calumet), was an important environmental concern for the municipality. Figure 1 shows that the deposit is sitting between the limits of the Calumet East watershed and the Larose creek watershed. Those two watersheds are distinct geographic entities from the McKay Lake watershed (where the well is located). The municipal well is isolated from the graphite deposit.”

The final report is available at: <https://canadacarbon.wethinkcentral.com/docs/Rapport-detude-hydrogeologique.pdf> as well as on the GSLR website at: <http://gslr.ca/wp-content/uploads/2017/04/Rapport-d%C3%A9tude-hydrog%C3%A9ologique.pdf?fref=gc>

Canada Carbon Executive Chairman and Chief Executive Officer Mr. R. Bruce Duncan remarked, “The hydrogeological report obtained by the Municipality of Grenville-sur-la-Rouge supports the findings of the report obtained by the Village of Grenville that the Miller Project is physically incapable of impacting the drinking water sources for the citizens surrounding the Miller Project. Laboratory testing required by the Quebec government has shown that the Miller Project's waste rock, tailings and mineralization will not generate acid mine drainage and will not leach metals into the environment. Canada Carbon is committed to addressing the concerns of its neighbours, and aims to develop and operate the Miller Project in an environmentally benign manner.”

Canada Carbon has established a dedicated page on its website to host final environmental and other assessment reports, which will be updated as new information becomes available. The Miller Project Reports page can be accessed from the website home page, or by opening this link: <http://www.canadacarbon.com/docs/Rapport-detude-hydrogeologique.pdf> The Company will provide periodic updates via newspaper ads and flyers delivered to GSLR residents, and will hold further public meetings from time to time as the results of the Project feasibility study are made public and the quarry and mine permit applications are considered.

## **QUALIFIED PERSON**

Steven Lauzier, P.Geo. OGQ1430, a Qualified Person as defined by National Instrument 43-101 guidelines, has reviewed and approved the technical content of this news release.

## **CANADA CARBON INC.**

“R. Bruce Duncan”  
CEO and Director

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