



Focus Graphite Announces Closing of \$1,150,000 Private Placement

KINGSTON, ONTARIO, December 30, 2020 – Focus Graphite Inc. (TSXV: FMS) (the “**Company**” or “**Focus Graphite**”) is pleased to announce it has closed its previously announced non-brokered private placement (the “**Offering**”) for total gross proceeds of \$1,150,000. The closing of the Offering occurred in two final tranches of \$500,000 (the “**Second Tranche**”) and \$300,000 (the “**Final Tranche**”) respectively subsequent to the previously announced first tranche closing of December 18, 2020.

As part of the Second Tranche, the Company issued 10,000,000 units (the “**Flow-Through Units**”) at a price of \$0.05 per Unit. Each Unit is comprised of one (1) flow-through common share and one common share purchase warrant (a “**Warrant**”). Each Warrant entitles its holder to purchase one (1) common share at a price of \$0.055 per common share until December 22, 2022.

In connection with the closing of the Second Tranche, the Company paid a cash finder’s fee totaling \$35,000 and issued 700,000 warrants (the “**Finder Warrants**”). Each Finder Warrant entitles the finder to purchase one (1) common share at a price of \$0.055 per common share until December 22, 2022.

As part of the Final Tranche, the Company issued 3,000,000 Flow-Through Units for gross proceeds of \$150,000 and 4,285,714 units (the “**Non-FT Units**”) at a price of \$0.035 per Non-FT Unit for gross proceeds of \$150,000. Each Non-FT Unit consists of one common share issued on a non-flow-through basis and a Warrant. Each Warrant issued as part of the Final Tranche entitles the holder to purchase one (1) common share at a price of \$0.055 per common share until December 29, 2020.

In connection with the closing of the Final Tranche, the Company paid a cash finder’s fee totaling \$20,000 and issued 528,571 Finder Warrants. The cash finders fee represents 10% of the gross proceeds from a portion of the Final Tranche and the Finder Warrants equal represent 10% of the number of units sold based on the same terms. Each Finder Warrant issued as part of the Final Tranche entitles the finder to purchase one (1) common share at a price of \$0.055 per common share until December 29, 2022.

The securities issued in connection with the closing of the Second Tranche are subject to a four-month hold period expiring on April 23, 2021. The securities issued in connection with the Final Tranche are subject to a four-month holder period expiring April 30, 2021.

The Offering is subject to the final approval of the TSX Venture Exchange.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward Looking Information

This news release may contain certain forward-looking information and statements, including without limitation, the closing of the Offerings, statements pertaining to the use of proceeds, and the Company's ability to obtain necessary approvals from the TSX Venture Exchange. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in Focus Graphite's disclosure documents on the SEDAR website at www.sedar.com. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.

About Focus Graphite

Focus Graphite Inc. is an advanced exploration company with an objective of producing flake graphite concentrate at its wholly owned Lac Knife flake graphite deposit located 27 km south of Fermont, Québec. In a second stage, to meet Quebec stakeholder interests of transformation within the province and to add shareholder value. Focus is evaluating the feasibility of producing value added graphite products including battery-grade spherical graphite.

Focus Graphite is a technology-oriented graphite development company with a vision for building long-term, sustainable shareholder value. Focus also holds a significant equity position in graphene applications developer Grafoid Inc.

For more information about Focus Graphite, please visit www.focusgraphite.com.

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