TORONTO, ONTARIO--(Marketwired - Jul 21, 2016) - Great Lakes Graphite Inc. ("GLK" or the "Company") (TSX VENTURE:GLK)(OTC PINK:GLKIF)(FRANKFURT:8GL) will benefit from up to $412,000 from the government of Ontario for business expansion and support of technological and product innovation at the Matheson Micronization Facility in Matheson, Ontario.

The funding will fund capital expenditures needed to prepare the Matheson Micronization Facility for commercial production operations and will assist Great Lakes Graphite in adopting technologies to improve its production processes. The capital is offered as a combined grant and loan with 30% of the requested funds provided as a grant and the remaining 70% provided as a non-revolving term loan (the "Loan") in an aggregate principal amount of up to $288,652.

The funding package will add meaningful financial strength and flexibility as the Company is entering the value-added graphite products market.

The Government of Ontario's investment is being delivered by the Ministry of Northern Development and Mines (MNDM) through the Northern Ontario Heritage Fund Corporation (NOHFC).

"I'm very pleased to support the Great Lakes Graphite Matheson project through the Northern Ontario Heritage Fund. This expansion will bring good jobs to the community and greatly benefit the economy of Cochrane District. Supporting job creation and economic prosperity in the North is part of this government's plan to build Ontario up by investing in people and supporting a dynamic and innovative business climate."

- Michael Gravelle, Minister of Northern Development and Mines and Chair of the NOHFC

Quick Facts

- Micronized graphite products will be manufactured from sourced material at the Matheson Micronization Facility.
- The market for micronized graphite products is currently estimated at 110K tonnes per year.
- Production for the Matheson plant is targeted to ramp up to 10,000 tonnes per year by the fourth year of operation.
- Operations are estimated to require as many as 16 employees when the plant is operating at capacity.

Great Lakes Graphite CEO Paul Gorman said, "This investment is coming at a pivotal moment for Great Lakes Graphite as we prepare to cross the threshold into commercial operations. We will use this funding to develop and expand our product offerings and satisfy emerging market opportunities, improve our productivity, and help make us more competitive and ultimately more sustainable. That will ensure we have a long-term future in Matheson, producing advanced graphite products and maintaining vital jobs that strengthen the community."

Associated Links

Great Lakes Graphite Inc.

Ministry of Northern Development and Mines

Growth Plan for Northern Ontario

Background

In general, customers interested in Great Lakes' graphite products are seeking volume supplies of, consistent, high quality material inputs capable of producing a superior and consistent product. They also are inclined towards production operations that are managed in an environmentally sound and cost-effective manner, in politically stable areas of the world.

The Northern Ontario Heritage Fund Corporation (NOHFC) is a crown corporation and development agency of the Ontario government that invests in northern businesses and municipalities. The Business Expansion Program supports the vision of the growth plan for Northern Ontario by supporting the development and commercialization of new and emerging technologies that will contribute to future prosperity in Northern Ontario, and by fostering collaboration and partnerships among the private sector, academic institutions and research institutes. The purpose of this program is to help Northern Ontario businesses reduce the technical and financial risks associated with scaling-up and demonstrating their new and innovative technologies. It is also intended to support them as they ramp-up for commercial production.

The outlook for the global 'high purity' graphite market is very promising with demand growing rapidly from new applications. Graphite is now considered one of the more strategic elements by many leading industrial nations, particularly for its growing importance in high technology manufacturing and in the emerging "green" industries such as Lithium-ion batteries for electric vehicles and fuel cells for energy storage.

The application for graphitic material is constantly evolving due to its unique chemical, electrical and thermal properties. It maintains its stability and strength under temperatures in excess of 3,000°C and is very resistant to chemical corrosion. It is also one of the lightest of all reinforcing elements and has high natural lubricating abilities. Some of these key physical and chemical properties make it critical to modern industry.

Details of Terms for the Loan Portion

Interest on the outstanding principal balance of the Loan and on any overdue interest outstanding from time to time, will be payable at the rate of 3.7% per annum (the "Interest Rate") calculated and compounded monthly, not in advance, until repayment in full. Interest shall be due and payable monthly on the first day of each and every month of each and every year during the term of the Loan, with interest at the rate provided herein both before and after maturity, default, demand and judgment. The Loan matures in 9 years.

The Loan is evidenced by a term loan promissory note and the Loan and all other obligations shall be secured by a general security agreement (the "GSA") provided by the Company. The GSA will constitute a valid charge over the accounts, inventory, equipment and other personal property of the Company.

About Great Lakes Graphite: Great Lakes Graphite Inc. is an industrial minerals company focused on bringing value-added carbon products to a well-defined market.

The Company is party to an agreement for shared use of a portion of an industrial facility located in Matheson, Ontario owned by Northfil Resources Limited, as well as for supply of high quality natural graphite concentrate (see news release dated 03/23/15), which have positioned Great Lakes Graphite to become an emerging domestic manufacturer and supplier of micronized products to a growing regional customer base where pricing and demand continue to rise.

Further information regarding Great Lakes can be found on the Company's website at: www.GreatLakesGraphite.com.

Great Lakes Graphite trades with symbol GLK on the TSX Venture Exchange and currently has 117,561,978 shares outstanding.

Caution Regarding Forward Looking Information: *Certain statements in this press release may constitute "forward looking information" which involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking information. When used in this press release, such forward looking information may use such words as "may", "will", "expect", "believe", "plan" and other similar terminology. Forward looking information is provided for the purpose of presenting information about management's current expectations relating to the future events and the operating performance of the Company, and readers are cautioned that such information may not be appropriate for other purposes. The forward looking statements involve a number of risks and uncertainties. These risks and uncertainties include, but are not limited to, the ability of the Company to fulfill the orders and future orders, regulatory requirements, general economic, market or business conditions and future developments in the sectors of the economy in which the business of Great Lakes operates. The foregoing list of factors is not exhaustive. Please see the Company's financial statements, MD&A and other documents available on www.sedar.com, for a more detailed description of the risk factors. The Company undertakes no obligation to update publicly or revise any forward looking information, whether a result of new information, future results or otherwise, except as required by law.*

Contact

Great Lakes Graphite Inc.
Paul Ferguson
Chief Marketing Officer
1-800-754-4510 x106
PFerguson@GreatLakesGraphite.com
Great Lakes Graphite Inc.
Paul Gorman
Chief Executive Officer
1-800-754-4510 x109
PGorman@GreatLakesGraphite.com
www.GreatLakesGraphite.com