

OTTAWA, ONTARIO--(Marketwired - Aug 17, 2016) - [Focus Graphite Inc.](#) (TSX VENTURE:FMS)(OTCQX:FCSMF)(FRANKFURT:FKC) ("Focus" or the "Company") is pleased to announce the results obtained from the 2014 core drilling program at its wholly owned Lac Tétépisca graphite project ("the Project") located southwest of the Manicouagan reservoir in the Côte-Nord administrative region of north-eastern Québec.

Highlights:

- In 2014, 16 HQ-diameter holes were drilled along four fences, spaced 200 m apart, and covering a 600 m strike length section of a 1.5-km long electromagnetic (EM) conductor mapped by a combined magnetic (MAG)-EM ground geophysical survey conducted over the "Manicouagan Ouest graphitic corridor". Eleven (11) holes intersected significant graphitic mineralisation (Table 1*).
- The 2014 drill holes were loaded into Gemcom® software and the three dimensional mineralised envelope has an azimuth of 210 degrees and dips at -40 degrees. The conversion factor for true width is 0.99 of the core length thickness. The thicknesses reported for the best intersection in the news release have been changed, however Table 1 lengths are core length thicknesses.
- Best intersection: Hole LT-14-04, drilled at -45 degrees to a depth of 144 m, intersected 103.9 m grading 10.25% Graphitic Carbon (Cg¹) including:
 - 22.4 m grading 17.3 % Cg (from 36.8 m to 59.2 m); and
 - 20.0 m grading 13.9 % Cg (from 89.5 m to 109.5 m)
- The 2014 drilling identified a significant graphitic zone 60 to 100 m wide that extends down to these intersections at depth and within the main kilometric geophysical MAG-EM anomaly known as the "Manicouagan-Ouest Graphitic Corridor". A secondary graphitic zone is located 10 m to the northwest of the main zone and is 6-12 m wide.

The 600 m-long Lac Tétépisca graphitic corridor discovered by Focus in 2012 and held within the kilometric-scale MAG-EM anomaly mapped in 2014 now has significant measured drill core graphitic intercepts down to approximately 100 m depth. The encouraging initial drilling results at Lac Tétépisca further indicate that there is potential for a new large volume-high grade graphite deposit in the South Manicouagan reservoir area. In particular, interest for this type of deposit could come from the future graphite-based plastic polymer industry.

"We are extremely encouraged by these initial drilling results as they open the door to a potentially important sister resource to our flagship natural flake graphite deposit at Lac Knife, Québec; this is significant given our recent technological capabilities in purifying Lac Knife's fine flake graphite to a 99.99% carbon battery grade materials (refer to Focus news release dated August 8, 2016 available at www.focusgraphite.com and at www.sedar.com"); said Focus Graphite President and CEO Gary Economo.

On September 25, 2015, Focus announced the Polymer Offtake, committing Grafoid to acquire, at its discretion, up to 25,000 tonnes of 97.8% Ct (average concentrate grade for all flake sizes) graphite concentrate annually from the Lac Knife Project for 10 years, representing up to 56.4% of the projected total annual production of 44,300 tonnes (all flake sizes). (Taken from *Technical Report on The Lac Knife Graphite Feasibility Study*; available at www.sedar.com under [Focus Graphite Inc.](#)).

The 2014 Lac Tétépisca drilling campaign was designed to test surface mineralization down to a vertical depth of approximately 100 m. The Lac Tétépisca graphitic corridor discovery was found as a result of initial prospecting and trenching work conducted in 2012 and in 2013 (refer to Focus news releases dated November 15, 2012 and October 20, 2014 available at www.focusgraphite.com and at www.sedar.com). Although the drilling at Lac Tétépisca was carried out in 2014, the core was only sampled and assayed in 2016, as the completion of the Lac Knife mineral project feasibility study was the Company's main priority at the time.

In 2014 Focus conducted a preliminary metallurgical characterization of a 10 kg composite channel sample. The metallurgical test work which was carried out at SGS Canada Inc., of Lakefield, Ontario, achieved a carbon content averaging 94.7% total carbon² (Ct) for all flake above 200 mesh, including 97.7% Ct for plus 80 mesh flake - a quality that is critical to the lithium ion battery market (refer to Focus news release dated October 20, 2014 available at www.focusgraphite.com and at www.sedar.com).

Focus has completed the design of a new follow-up core drilling program at the Lac Tétépisca graphite property. This second phase of drilling will be mainly designed to test the strike-length extensions of the known graphitic mineralisation within the limits of the main EM anomaly.

TABLE 1: 2014 DRILLING PROGRAM RESULTS

Drillhole	Section	Azimuth	Total Length (m)	Intercepts	From (m)	To (m)	Intersection Cg	
							length (m)*	(%)
LT-14-01	0+00	302	126	Intersection	25.5	88.8	63.3	11.25
				<i>Including</i>	<i>65.65</i>	<i>85.2</i>	<i>19.55</i>	<i>17.67</i>
				Intersection	100.45	108.0	7.55	7.76
LT-14-02	0+00	302	126	Intersection	7.0	41.6	34.6	13.71
				<i>Including</i>	<i>18.0</i>	<i>37.1</i>	<i>19.1</i>	<i>17.21</i>

		Intersection	58.1	64.5	6.4	6.96
LT-14-04 2+00 S 302	144	Intersection	32.3	137.2	104.9	10.25
		<i>Including</i>	36.8	59.15	22.35	17.34
		<i>Including</i>	89.5	109.5	20.0	13.93
LT-14-05 2+00 S 302	126	Intersection	6.25	67.5	61.25	8.69
		Intersection	77.55	85.0	7.45	7.19
LT-14-07 2+00 S 302	126	Intersection	21.25	33.0	11.75	5.78
		Intersection	40.45	46.75	6.3	5.92
		Intersection	96.2	102.9	6.7	22.55
LT-14-08 4+00 S 302	153	Intersection	43.5	144.45	100.95	10.19
		<i>Including</i>	49.1	77.9	28.8	17.80
LT-14-11 4+00 S 302	119	Intersection	3.2	43.0	39.8	9.52
		<i>Including</i>	13.3	23.5	10.2	12.93
		Intersection	55.0	67.0	12.0	7.28
LT-14-12 6+00 S 302	143	Intersection	44.5	117.4	72.9	13.81
		<i>Including</i>	46.9	83.9	37.0	17.27
		<i>Including</i>	89.05	100.9	11.85	17.53
		Intersection	130.9	140.8	9.9	7.22
LT-14-13 6+00 S 302	114	Intersection	2.0	61.4	59.4	10.39
		<i>Including</i>	12.0	24.0	12.0	17.51
		Intersection	71.9	78.6	6.7	8.23
LT-14-14 6+00 S 302	114	Intersection	2.1	13.5	11.45	5.46
		Intersection	23.6	33.7	10.1	11.12
LT-14-16 5+50 S 302	150	Intersection	40.95	119.5	78.55	13.28
		<i>Including</i>	40.95	73.5	32.55	16.79
		<i>Including</i>	89.4	98.1	8.7	17.59
		<i>Including</i>	100.9	109.1	8.2	16.67
		Intersection	128.1	137.0	8.9	6.88

* *Intersections reported in Table 1 are not true thicknesses but are expressed as core lengths. However the HQ drill holes crosscut the envelope of the mineralized zone's strike and dip at a high angle. Mineralized intersections are calculated with Cg > 5% over a minimum of 6 m.*

¹ *Carbon analyses were performed by the Consortium de Recherche Appliquée en Traitement et Transformation des Substances Minérales ("COREM") of Québec-City, an ISO/IEC 17025:2005 certified facility using LECO high frequency combustion method with infrared measurement (code LSA-M-B10) and are reported as graphitic carbon (Cg).*

² *Carbon analyses were performed by SGS Canada Inc. ("SGS") and are reported as total carbon ("Ct"). The analytical methods that were used to determine the metallurgical results included total carbon analysis by Leco on the final concentrates. Total carbon assays are for the higher graphite concentrate grades, whereas graphitic carbon assays are for drill core and it is a more accurate method when graphitic carbon content is lower than approximately 50% Cg.*

2014 Exploration Drilling Program

The 2014 Lac Tétépisca core drilling program was designed by Focus. Focus and IOS Services Géoscientifiques ("IOS") of Saguenay, Québec, supervised the drilling campaign. The core drilling was performed by Forage Rouillier of Amos, Québec. The core samples were logged in the field by Focus and IOS, and then shipped to IOS' laboratory facilities in Saguenay for storage and in preparation for future sampling and geochemical analysis. Starting in March 2016, the 16 core holes were sampled by IOS and the resulting samples were sent to COREM, an ISO/IEC 17025:2005 certified facility located in Québec-City, for graphitic carbon analysis using LECO high frequency combustion method with infrared measurement (code LSA-M-B10). Total sulphur was also analyzed by LECO (code LSA-M-B41).

Quality Assurance / Quality Control

Under the QA/QC program, about 10% of the samples were analyzed by COREM for total (code LSA-M-B45), organic (code LSA-M-B58), inorganic (code LSA-M-B11) and graphitic (code LSA-M-B10) carbon as well as for total sulphur (a total of 82 core samples). Duplicates of the same 82 samples were also sent to ACTLABS Laboratories of Ancaster, Ontario (ISO/IEC 17025:2005 with CAN-P-1579) for graphitic carbon (code 5D - C Graphitic) and total sulphur (code 4F - S Combustion infrared detection) determinations and for 35 multi-element analysis using ICP methods (code 1E2 - Aqua Regia). IOS introduced 66 standards, 32 duplicates (sawing, crushing or grinding duplicates) and 61 blank samples into the batch of core sample as part of the QA/QC program.

About the Lac Tétépisca Graphite Project

Focus Graphite's 100%-owned Lac Tétépisca Project consists of 87 contiguous map-designated claims ("CDC") covering 4,692.82 ha. The Project is located in the southwest Manicouagan reservoir area, 234 km north-northwest of Baie-Comeau, an industrial city located where the Manicouagan River intersects the North shore of St. Lawrence River. The Project is accessible year-round by logging roads that connect to Highway 389 which in turn connects to Baie-Comeau. The Project is part of the former Lac Guéret-Nord Project of SOQUEM Inc. and Quinto Technology Inc. Focus purchased 100% of the mineral rights to the Project in August 2011.

Map of Lac Tétépisca Project

About Focus Graphite

[Focus Graphite Inc.](#) is an advanced exploration and mining company with an objective of producing graphite concentrate at its Lac Knife deposit located south west 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.

The Lac Knife project hosts a Measured and Indicated Mineral Resource Estimate* of 9.58 million tonnes grading 14.77% graphitic carbon (Cg) (432,000 tonnes Measured @ 23.66% Cg and 9,144,000 tonnes Indicated @ 14.35% Cg) as natural flake graphite with an additional Inferred Mineral Resource Estimate* of 3.1 million tonnes grading 13.25% Cg. Focus' goal is to assume an industry leadership position by becoming a low-cost producer of technology-grade graphite concentrate.

The Feasibility Study filed with SEDAR (www.sedar.com) on August 8, 2014 for the Lac Knife Project indicates the project is economically viable and has the potential to become a low cost graphite concentrate producer based on 7.86 million tonnes of Proven and Probable Mineral Reserves** grading 15.13% Cg included in the Mineral Resource (429,000 tonnes Proven @ 23.61% Cg and 7,428,000 tonnes Probable @ 14.64% Cg).

On May 27, 2014 the Company announced the potential for high value added sales in the Li-ion battery sector following battery coin cell tests performed on Spherical Graphite ("SPG") produced from the Lac Knife graphite concentrate. Testing measured the performance metrics and confirmed Focus' capability to tailor lithium ion battery-*anode*-grade graphite and value added products to meet the most stringent customer specifications.

On February 26, 2015, the Company announced the results from independent laboratory testing that indicated Coated Spherical Graphite ("CSPG") produced from Lac Knife concentrate outperformed synthetic graphite *anodes* for use in lithium-ion batteries.

On November 25, 2015, the Company announced results from independent laboratory testing that reported "zero loss" in long-term battery *anode* cycle testing of high purity CSPG produced from Lac Knife concentrate.

On March 31, 2016, the Company announced the introduction of a high conductivity graphite *cathode* material produced from expanded Lac Knife graphite and exhibiting twice the conductivity of cathodes versus standard grades of synthetic and natural flake graphite used in commercially available lithium-ion batteries.

On August 8, 2016, the Company announced it has successfully purified *fine* flake graphite - sourced at its wholly owned Lac Knife, Québec deposit - from 95% to 99.99% purity using a proprietary energy efficient purification process. Attaining a 99.99% purity level from fine graphite flake is significant. Focus now has the technology to economically purify low value fine flake graphite or, "fines" to a high value material needed for the production of lithium-ion batteries.

Focus Graphite is a technology-oriented graphite mining 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.

** Mineral resources are not mineral reserves and do not have demonstrated economic viability*

*** The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Mineral Reserve. The reference point for the Mineral Reserve Estimate is the mill feed.*

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

Qualified Person

Mr. Marc-André Bernier, M.Sc, P.Geo (Québec and Ontario), a Director of the Company and a Qualified Person under National Instrument 43-101 - Standards of Disclosure for Mineral Projects, has reviewed and approved the technical content of this news

release relating to the Lac Tétépisca project drilling results.

Forward Looking Statement

This News Release contains "forward-looking information" within the meaning of Canadian securities legislation. All information contained herein that is not clearly historical in nature may constitute forward-looking information. Generally, such forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: (i) volatile stock price; (ii) the general global markets and economic conditions; (iii) the possibility of write-downs and impairments; (iv) the risk associated with exploration, development and operations of mineral deposits; (v) the risk associated with establishing title to mineral properties and assets; (vi) the risks associated with entering into joint ventures; (vii) fluctuations in commodity prices; (viii) the risks associated with uninsurable risks arising during the course of exploration, development and production; (ix) competition faced by the Company in securing experienced personnel and financing; (x) access to adequate infrastructure to support mining, processing, development and exploration activities; (xi) the risks associated with changes in the mining regulatory regime governing the Company; (xii) the risks associated with the various environmental regulations the Company is subject to; (xiii) risks related to regulatory and permitting delays; (xiv) risks related to potential conflicts of interest; (xv) the reliance on key personnel; (xvi) liquidity risks; and (xvii) the risk of potential dilution through the issue of common shares. Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities, no material adverse change in metal prices, exploration and development plans proceeding in accordance with plans and such plans achieving their stated expected outcomes, receipt of required regulatory approvals, and such other assumptions and factors as set out herein.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Such forward-looking information has been provided for the purpose of assisting investors in understanding the Company's business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this News Release, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws.

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 accuracy of this release.

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