

PESSAMIT, QUEBEC--(Marketwired - Jun 16, 2017) - [Mason Graphite Inc.](#) ("Mason Graphite" or the "Company") (TSX VENTURE:LLG)(OTCQX:MGPHF) and the Innu Council of Pessamit today signed the Mushalakan Agreement, an Impact Benefit Agreement ("IBA") resulting from the 2014 Cooperation Agreement between the Parties.

The Mushalakan Agreement, negotiated directly between the Pessamit Council and the executives of Mason Graphite, reflects the willingness of the Parties to work closely together to ensure that the Lac Guéret graphite mining project is a success and benefits the Pessamit Community and the population of Manicouagan. In a same voice, Chief René Simon and Benoît Gascon, CEO of Mason Graphite, said they were very pleased with the agreement and welcomed this new collaboration between the Pessamit First Nation and the Company. "We are very proud to announce today the Mushalakan Agreement, which is based on a principle of equity between nations. This Agreement will benefit the people of Quebec and the Pessamiuinut with respect of their rights and their territory" said Benoît Gascon. On his side, Chief Simon emphasized the Corporation's exemplary approach to this project: "From the outset, Mason Graphite acted with great respect and ethics towards our First Nation. The approach undertaken by Benoît Gascon and his team created a standard on the territory of Pessamit."

Employment and Financial Arrangements

Under the Mushalakan Agreement, the Parties commit to develop a specific training and employment strategy for the Pessamiuinut. This strategy will be developed in such a way as to ensure employment opportunities at all levels for the Pessamiuinut and to encourage their retention and advancement within the project. In addition to the strategy, this agreement will allow the Innus of Pessamit to participate in the project concretely, through contracting opportunities and will ensure fair and equitable financial and socio-economic benefits. The latter will promote and protect the rights, the way of life and the culture of the Pessamiuinut in addition to supporting the economic development of present and future generations.

Lac Guéret Mining Project

The Lac Guéret project, with an initial life span of 25 years, consists of an open-pit mine located approximately 285 km north of Baie-Comeau on the Nitassinan (traditional territory) of the Pessamit First Nation, and a processing plant and a tailings pond located in the Jean-Noël-Tessier Industrial Park in Baie-Comeau. With a projected annual capacity of approximately 51,900 tonnes of graphite concentrate, the project will provide close to 100 direct jobs to the region's Aboriginal and non-Aboriginal workers which will be shared with the objective of reflecting the demographic proportion of the communities of Pessamit and MRC Manicouagan with a tilt for Pessamit.

Contacts

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About Mason Graphite and the Lac Guéret Project

Mason Graphite is a Canadian mining and processing company focused on the development of its 100% owned Lac Guéret natural graphite deposit located in northeastern Québec. The Company is led by a highly experienced team that has over five decades of experience in graphite production, sales, and research and development. For more information, visit www.masongraphite.com.

[Mason Graphite Inc.](#) On Behalf of the Board

"Benoît Gascon, CPA, CA", President & Chief Executive Officer

Cautionary Statements

This press 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 resulting issuer 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 resulting issuer; (xii) the risks associated with the various environmental regulations the resulting issuer 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; (xvii) the risk of potential dilution through the issue of common shares; (xviii) the Company does not anticipate declaring dividends in the near term; (xix) the risk of litigation; and (xx) risk management.

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 press release, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws.

Neither 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.

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