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[Eagle Graphite Inc.](#) (TSX VENTURE:EGA)(FRANKFURT:NJGN) ("Eagle Graphite" or the "Company") intends to close a non-brokered private placement for aggregate gross proceeds of up to \$250,000 (the "Private Placement"). The Private Placement will be comprised of (i) up to 1,000,000 flow-through common shares (the "FT Shares") at a price of \$0.06 per FT Share (the "FT Placement"), and (ii) up to 3,800,000 units (the "Units") at a price of \$0.05 per Unit. Each Unit will consist of one common share and one-half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant will entitle the holder to acquire one common share of the Company for a period of twenty four (24) months at an exercise price of \$0.075 per share. Closing of the Private Placement is expected to occur within the next 7 days.

Latitude Minerals Inc. ("Latitude"), an insider of the Company, will participate in the Private Placement, thereby making the Private Placement a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). Latitude intends to purchase 1,300,000 Units, and after the completion of the Private Placement will own 187,328,800 common shares or approximately 68.1% of the total common shares issued and outstanding. The Private Placement is exempt from the need to obtain minority shareholder and a formal valuation as required by MI 61-101 as the Company is listed on the TSX Venture Exchange and the fair market value of any units to insiders or the consideration paid by insiders of the Company does not exceed 25% of the Company's market capitalization. No new insiders are anticipated to be created, nor will there be any change of control as a result of the Private Placement.

The net proceeds from the Private Placement will be used to fund exploration work and for general and administrative purposes. Closing of the Private Placement is subject to TSX Venture Exchange approval. The securities issued will be subject to a four month hold period following the closing of the Private Placement.

About Eagle Graphite

[Eagle Graphite Inc.](#) is an Ontario company that owns one of only two natural flake graphite production facilities in North America, located 35 kilometres west of the city of Nelson in British Columbia, Canada, and 70 kilometres north of the state of Washington, USA, known as the Black Crystal graphite quarry. The Company's shares are listed on the TSXV under the symbol "EGA" and on the Frankfurt Stock Exchange under the symbol "NJGN".

Cautionary Statements

Disclosure Regarding Forward-Looking Statements: This press release contains certain "forward-looking information" within the meaning of applicable securities legislation which forward looking information relates to, among other things, the closing of the Private Placement and the use of proceeds of the Private Placement. Such information is based on assumptions, estimates, opinions and analysis made by management in light of its experience, current conditions and its expectations of future developments as well as other factors which it believes to be reasonable and relevant. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause our actual results to differ materially from those expressed or implied in the forward-looking information and accordingly, readers should not place undue reliance on such information. Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. In evaluating forward-looking information, readers should carefully consider the various factors which could cause actual results or events to differ materially from those expressed or implied in the forward looking information. The statements in this press release are made as of the date of this release. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company or its securities, its financial or operating results, as applicable.

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

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