

TORONTO, ONTARIO--(Marketwired - Feb 18, 2016) - [Eagle Graphite Inc.](#) (TSX VENTURE:EGA)(FRANKURT:NJGN) ("Eagle Graphite" or the "Company") is pleased to report it has now received all assays from its 2015 diamond drill program at its Black Crystal graphite project. Drilling at Hoder Creek not only continued to confirm the presence of mineralization similar to that already established at its permitted Quarry, an additional zone was identified which further expands the potential of the Hoder Creek group of mineral claims. Additionally, preliminary drilling at the plant site has highlighted an outcrop which hosts multiple graphite bearing seams in excess of 10 meters in width. Given that this mineralization is located less than 100 meters from Eagle Graphite's flotation plant, this showing could represent a significant future target.

Plant Site Drilling Results

The 2015 Plant Site diamond drilling program was designed to follow up on the previously drill tested graphite mineralization which first discovered in 2002 in an outcrop exposure above Koch Creek, approximately 100 meters from the graphite processing facility. Results from the eight holes drilled at the plant site during the 2015 program (EGPS-15-001 through EGPS-15-008) in conjunction with surface trenching indicate multiple beds of graphite bearing marble which have undergone extensive folding and structural manipulation.

At the plant site holes EGPS-15-001 through EGC-15-006 were drilled from the southern margin of the outcrop in order to test the down plunge continuity of the graphite bearing horizons. From these holes up to 1.75% graphite was intersected over 15.20m in near surface mineralization. Additionally, two scissor holes, EGPS-15-007 and EGPS-15-008 were cored from the north end of the outcrop which were designed to "scissor" the previous six holes in order better understand the orientation of the graphite beds. Results from these holes intersected 1.23% graphite over 20.20m. As a result of the complex folding of the seams, the exact orientation of the mineralization is not yet fully understood; however, preliminary drilling indicates the beds are dipping 30 degrees to the north north-east. The Plant site showing remains open both at depth and along strike.

Significant results from the Plant site are reported as follows:

| Hole Number | Azimuth (°) | Dip (°) | Sample | From (m) | To (m) | Length* (m) | C (%) |
|-------------|----------------|------------|---------|-------------|-----------|----------------|----------|
| EGPS-15-001 | 185 | -80 | 24360 | 48.00 | 48.90 | 0.90 | 1.45 |
| | | | 24368 | 55.70 | 56.30 | 0.60 | 1.2 |
| | | | 24371 | 56.90 | 57.90 | 1.00 | 1.92 |
| | | | 24372 | 57.90 | 58.85 | 0.95 | 1.96 |
| | | | 24379 | 63.40 | 64.15 | 0.75 | 1.83 |
| | | | 24382 | 66.05 | 66.90 | 0.85 | 1.00 |
| EGPS-15-002 | 190 | -70 | | 36.10 | 39.00 | 2.90 | 0.91 |
| | | | | 43.90 | 56.20 | 12.30 | 0.74 |
| | | | | 48.10 | 50.00 | 1.90 | 1.4 |
| Includes | | | 24420 | 36.10 | 36.95 | 0.85 | 1.15 |
| " | | | 24422 | 38.00 | 39.00 | 1.00 | 0.91 |
| " | | | 24434 | 48.10 | 49.15 | 1.05 | 1.42 |
| AND | | | 24436 | 49.15 | 50.00 | 0.85 | 1.38 |
| EGPS-15-003 | 190 | -70 | | 81.20 | 83.15 | 1.95 | 1.3 |
| | | | | 100.20 | 102.60 | 2.40 | 1.07 |
| Includes | | | 24462 | 67.60 | 68.20 | 0.60 | 0.999 |
| " | | | 24478 | 81.20 | 82.20 | 1.00 | 1.07 |
| " | | | 24479 | 82.20 | 83.15 | 0.95 | 1.55 |
| " | | | 24500 | 100.20 | 101.00 | 0.80 | 1.39 |
| AND | | | 2759052 | 101.80 | 102.60 | 0.80 | 1.24 |
| EGPS-15-004 | 190 | -70 | | 5.30 | 16.55 | 11.25 | 0.83 |
| | | | | 56.90 | 73.35 | 16.45 | 0.85 |
| | | | | 104.65 | 116.50 | 11.85 | 0.98 |
| Includes | | | 2759079 | 5.30 | 6.10 | 0.80 | 1.10 |
| " | | | 2759080 | 6.10 | 6.90 | 0.80 | 1.03 |
| " | | | 2759089 | 14.15 | 14.95 | 0.80 | 1.58 |
| " | | | 2759091 | 14.95 | 15.75 | 0.80 | 1.11 |
| " | | | 2759140 | 56.90 | 58.00 | 1.10 | 1.17 |
| " | | | 2759141 | 58.00 | 59.00 | 1.00 | 1.06 |
| " | | | 2759142 | 59.00 | 60.00 | 1.00 | 1.97 |
| " | | | 2759143 | 60.00 | 61.00 | 1.00 | 1.23 |
| " | | | 2759153 | 68.00 | 69.00 | 1.00 | 1.12 |

| | | | | | | | |
|-------------|-----|---------|---------|--------|-------|-------|------|
| " | | 2759154 | 69.00 | 70.15 | 1.15 | 1.16 | |
| " | | 2759159 | 72.60 | 73.35 | 0.75 | 1.35 | |
| " | | 2759199 | 104.65 | 105.40 | 0.75 | 1.88 | |
| " | | 2759208 | 113.75 | 114.65 | 0.90 | 2.60 | |
| " | | 2759209 | 114.65 | 115.50 | 0.85 | 2.56 | |
| AND | | 2759211 | 115.50 | 116.50 | 1.00 | 1.44 | |
| EGPS-15-005 | 190 | -70 | 19.70 | 37.00 | 17.30 | 0.96 | |
| | | | 87.10 | 96.90 | 9.80 | 0.72 | |
| Includes | | 2759213 | 19.70 | 20.50 | 0.80 | 0.986 | |
| " | | 2759214 | 20.50 | 21.50 | 1.00 | 1.38 | |
| " | | 2759216 | 21.50 | 22.50 | 1.00 | 1.05 | |
| " | | 2759218 | 23.50 | 24.50 | 1.00 | 1.23 | |
| " | | 2759220 | 25.40 | 26.40 | 1.00 | 0.98 | |
| " | | 2759221 | 26.40 | 27.50 | 1.10 | 1.18 | |
| " | | 2759222 | 27.50 | 28.50 | 1.00 | 1.12 | |
| " | | 2759228 | 32.50 | 33.50 | 1.00 | 1.09 | |
| " | | 2759229 | 33.50 | 34.50 | 1.00 | 1.23 | |
| " | | 2759300 | 95.10 | 96.00 | 0.90 | 1.41 | |
| AND | | 2759301 | 96.00 | 96.90 | 0.90 | 1.01 | |
| EGPS-15-006 | 190 | -70 | 2.50 | 17.70 | 15.20 | 1.75 | |
| Includes | | 2759306 | 2.50 | 3.50 | 1.00 | 3.21 | |
| " | | 2759307 | 3.50 | 4.50 | 1.00 | 2.29 | |
| " | | 2759308 | 4.50 | 5.15 | 0.65 | 2.45 | |
| " | | 2759309 | 5.15 | 6.15 | 1.00 | 1.75 | |
| " | | 2759313 | 8.00 | 9.00 | 1.00 | 1.19 | |
| " | | 2759314 | 9.00 | 10.00 | 1.00 | 1.21 | |
| " | | 2759316 | 10.00 | 11.00 | 1.00 | 2.05 | |
| " | | 2759318 | 12.00 | 13.00 | 1.00 | 1.55 | |
| " | | 2759319 | 13.00 | 14.00 | 1.00 | 3.20 | |
| " | | 2759320 | 14.00 | 15.00 | 1.00 | 2.60 | |
| " | | 2759321 | 15.00 | 16.00 | 1.00 | 1.79 | |
| " | | 2759322 | 16.00 | 17.00 | 1.00 | 1.07 | |
| " | | 2759323 | 17.00 | 17.70 | 0.70 | 1.41 | |
| " | | 2759362 | 67.00 | 68.00 | 1.00 | 1.24 | |
| AND | | 2759363 | 68.00 | 68.90 | 0.90 | 1.56 | |
| EGPS-15-007 | 10 | -70 | 4.80 | 11.50 | 6.70 | 1.03 | |
| | | | 34.70 | 54.90 | 20.20 | 1.23 | |
| Includes | | 2759426 | 4.80 | 6.00 | 1.20 | 2.15 | |
| " | | 2759427 | 6.00 | 7.00 | 1.00 | 1.62 | |
| " | | 2759433 | 10.65 | 11.50 | 0.85 | 1.04 | |
| " | | 2759439 | 15.20 | 16.00 | 0.80 | 2.30 | |
| " | | 2759461 | 34.70 | 35.70 | 1.00 | 2.36 | |
| " | | 2759462 | 35.70 | 36.70 | 1.00 | 2.50 | |
| " | | 2759463 | 36.70 | 37.70 | 1.00 | 1.61 | |
| " | | 2759465 | 39.00 | 40.00 | 1.00 | 1.05 | |
| " | | 2759468 | 41.60 | 42.50 | 0.90 | 1.74 | |
| " | | 2759472 | 44.10 | 44.80 | 0.70 | 2.00 | |
| " | | 2759473 | 44.80 | 45.50 | 0.70 | 2.17 | |
| " | | 2759476 | 46.80 | 47.60 | 0.80 | 1.06 | |
| " | | 2759477 | 47.60 | 48.45 | 0.85 | 3.14 | |
| " | | 2759479 | 49.40 | 50.45 | 1.05 | 3.35 | |
| " | | 2759484 | 54.10 | 54.90 | 0.80 | 3.33 | |
| " | | 2759491 | 60.60 | 61.60 | 1.00 | 1.63 | |
| " | | 2759493 | 62.60 | 63.40 | 0.80 | 1.01 | |
| " | | 2759509 | 76.75 | 77.55 | 0.80 | 1.18 | |
| " | | 2759520 | 84.80 | 85.65 | 0.85 | 1.46 | |
| AND | | 2759521 | 85.65 | 86.50 | 0.85 | 1.17 | |
| EGPS-15-008 | 10 | -70 | 2759551 | 38.50 | 39.40 | 0.90 | 1.16 |

2759578 61.50 62.45 0.95 1.01
 2759582 65.45 65.85 0.40 2.53

KOCH-15-001 190 -70 NSV

*True width is estimated to be 80% of the quoted lengths based upon preliminary drilling.

The location of the 2015 Plant Area drilling and zones is shown on a map on Eagle Graphite's website at the following link:

<http://www.eaglegraphite.com/press-release/property-potential-expanded-with-new-drill-results-and-graphite-discoveries>

Hoder Creek Drilling Results

At the Hoder Creek Quarry area two holes (EGC-15-001 and EGC-15-002) were drilled outside the area already permitted for extraction under the 5Y Quarry Plan. The two holes tested the eastern extension of the higher grade graphite mineralization which is observed at the Quarry. 23 additional holes were cored in a new showing, Hoder South, located 1km south of the Hoder Creek Quarry on mineral claims outside the mining lease. The Hoder South showing indicates a broad area of graphite mineralization on surface. Drilling at Hoder South was designed to test the tenor and continuity of this graphite mineralization.

Holes drilled at Hoder Creek continued to expand the zone and intersect promising graphite mineralization which includes EGC-15-01 which returned 1.95% graphite over 27.15m. All drill holes cored at Hoder South intersected anomalous graphite mineralization, along with two holes indicating the presence of a graphite bearing seam similar in nature to the Hoder Creek Quarry in the Southern region of the showing. The most notable hole in Hoder South, EGC-15-23, intersected a near surface graphite bearing seam which returned 1.16% graphite over 4.70m. This south-west dipping seam remains open to the south and future drilling into this hanging wall region represents a target of promising potential.

Significant intercepts from the reported holes include:

| Hole Number | Azimuth (°) | Dip (°) | Sample | From (m) | To (m) | Length* (m) | C (%) |
|-------------|----------------|------------|---------|-------------|-----------|----------------|----------|
| EGC-15-01 | 40 | -55 | | 22.4 | 49.55 | 27.15 | 1.95 |
| Includes | | | 2761213 | 11.00 | 11.55 | 0.55 | 1.13 |
| " | | | 2761226 | 22.40 | 23.40 | 1.00 | 4.38 |
| " | | | 2761227 | 23.40 | 24.60 | 1.20 | 3 |
| " | | | 2761228 | 24.60 | 25.60 | 1.00 | 3.54 |
| " | | | 2761229 | 25.95 | 27.05 | 1.10 | 4.76 |
| " | | | 2761230 | 27.05 | 28.00 | 0.95 | 4.19 |
| " | | | 2761232 | 28.50 | 28.85 | 0.35 | 4.28 |
| " | | | 2761236 | 30.20 | 31.30 | 1.10 | 1.51 |
| " | | | 2761237 | 31.30 | 32.45 | 1.15 | 1.44 |
| " | | | 2761238 | 32.45 | 33.60 | 1.15 | 1.22 |
| " | | | 2761239 | 33.60 | 34.75 | 1.15 | 2.08 |
| " | | | 2761240 | 34.75 | 35.90 | 1.15 | 1.83 |
| " | | | 2761243 | 37.70 | 38.70 | 1.00 | 2.76 |
| " | | | 2761244 | 38.70 | 39.70 | 1.00 | 4.21 |
| " | | | 2761247 | 41.70 | 43.00 | 1.30 | 1.1 |
| " | | | 2761248 | 43.00 | 44.00 | 1.00 | 1.79 |
| " | | | 2761249 | 44.00 | 45.00 | 1.00 | 1.41 |
| " | | | 2761251 | 45.00 | 46.00 | 1.00 | 1.35 |
| " | | | 2761252 | 46.00 | 47.00 | 1.00 | 1.76 |
| " | | | 2761253 | 47.00 | 48.00 | 1.00 | 1.04 |
| " | | | 2761254 | 48.00 | 49.00 | 1.00 | 1.86 |
| AND | | | 2761256 | 49.00 | 49.55 | 0.55 | 1.42 |
| EGC-15-02 | 40 | -55 | | 27.00 | 30.00 | 3.00 | 1.89 |
| Includes | | | 2761301 | 27.00 | 28.00 | 1.00 | 2.32 |
| " | | | 2761302 | 28.00 | 29.00 | 1.00 | 2.12 |
| AND | | | 2761303 | 29.00 | 30.00 | 1.00 | 1.23 |
| EGC-15-06 | 40 | -55 | | 3.50 | 7.25 | 3.75 | 1.06 |
| Includes | | | 2761466 | 3.50 | 4.00 | 0.50 | 1.51 |
| " | | | 2761468 | 5.20 | 6.00 | 0.80 | 2.25 |

| | | | | | | |
|-----------|----|---------|-------|-------|------|------|
| AND | | 2761469 | 6.40 | 7.25 | 0.85 | 1.38 |
| EGC-15-23 | 40 | -55 | 29.20 | 33.90 | 4.70 | 1.16 |
| Includes | | 5381918 | 30.00 | 30.50 | 0.50 | 0.94 |
| " | | 5381920 | 31.15 | 32.00 | 0.85 | 1.51 |
| " | | 5381921 | 32.00 | 33.00 | 1.00 | 1.31 |
| AND | | 5381922 | 33.00 | 33.90 | 0.90 | 1.75 |

*True width is estimated to be 80% of the quoted lengths based upon preliminary drilling.

The location of the 2015 Hoder Creek drilling and zones is shown on a map on Eagle Graphite's website at the following link:

<http://www.eaglegraphite.com/press-release/property-potential-expanded-with-new-drill-results-and-graphite-discoveries>

Technical information of this news release was prepared by Mr. Cameron Norton, P. Geo of Caldera Geological Ltd. who is an independent qualified person under NI 43-101. The QA/QC protocol was managed by Mr. Norton.

QA/QC Procedures

The quality assurance / quality control (QA/QC) procedures for the 2015 drilling program completed by Eagle are described below.

NQ drill core was logged and all pertinent geological / geotechnical information recorded. The drill core designated for sampling was then sawn in half, with one half bagged, labeled and sent for assay. The remaining half was placed in core boxes as a permanent record and stored on the project site. Core samples size varied from 0.20 to 2.0 meters in length. All samples were transported to Eagle Graphite's onsite Laboratory for drying, crushing, pulverization and analysis.

Core samples were crushed using a primary jaw crusher to a minimum of 70% passing 2mm. A representative 250 gram split sample is obtained by passing the entire reject sample through a riffler, and by alternating catch pans before taking the final split. The remaining coarse reject material is returned to a labeled bag and stored. The 250 gram sub-sample is pulverized to a minimum of 85% passing 75 microns. The equipment is cleaned between each sample with compressed air and brushes. The homogenized sample is analyzed using a Leco Carbon analyzer. This assay method first involves the partial digestion of a 0.1 gram aliquot of the sample in HCl and taken to dryness in order to remove any inorganic carbon present. Following this, the sample is then roasted in a furnace for two hours at 425°C in order to remove any organic carbon. At the completion of this step the roasted residue is deemed only to contain graphitic carbon and is ready to be assayed using the Leco which has a detection limit of 0.025% carbon.

As part of in-house QA/QC Eagle Graphite's laboratory inserts certified graphite standards, blanks and duplicate samples at regular intervals.

In addition, certified graphite standards and blank samples are sequentially interested on site by the geologist. The standards are purchased from CDN Resource Labs and the "blank" samples are taken from a barren quarry. A minimum of one standard and one blank are inserted with every batch of 20 core samples prior to shipment for assay. For the 2015 QA/QC program reported standards and blank assay values were within acceptable margin of error.

On Behalf of the Board of Directors,

"Jamie Deith"

Jamie Deith, President & CEO

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. 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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