

Advancing a Battery-Grade Graphite Project in the United States of America

TORONTO, ONTARIO--(Marketwired - Aug 8, 2016) - Alabama Graphite Corp. ("AGC" or the "Company") (TSX VENTURE:ALP)(OTCQX:ABGPF)(FRANKFURT:1AG) is very pleased to announce the appointment of Gareth P. Hatch, PhD, CEng, FIMMM, FIET as an Independent Director to its Board of Directors, effective immediately.

A two-time graduate of the University of Birmingham in the United Kingdom, Dr. Hatch holds a Bachelor of Engineering degree with Honours in Materials Science & Technology and a doctorate in Metallurgy & Materials, focused on rare-earth permanent-magnet materials. Dr. Hatch is a Fellow of the Institute of Materials, Minerals & Mining (IOM3) a Fellow of the Institution of Engineering & Technology (IET), a Chartered Engineer registered through the U.K. Engineering Council and a Senior Member of the Institute of Electronic and Electrical Engineers (IEEE). He is also a member of the Washington, DC-based Strategic Materials Advisory Council.

Dr. Hatch is Co-Founder, President and Director of Innovations Metals Corp., a private, Toronto-based company, specializing in cost-effective processing solutions for many metals vital to high-tech and green-energy, including battery-grade nickel and cobalt, and rare-earth elements (REEs). Dr. Hatch is also a Founding Principal of Technology Metals Research, LLC, a consulting firm that develops market intelligence and analysis on the critical materials and technology metals sector. Dr. Hatch was previously Director of Technology at U.S.-based Dexter Magnetic Technologies, Inc., and holds five patents on a variety of magnetic devices.

Since 2014, Dr. Hatch has served as Principal Investigator on a multi-million-dollar U.S. Army Research Laboratory (ARL) U.S. Department of Defense ("DoD") research program on innovative rare-earth elements processes. Additionally, Dr. Hatch has advised the DoD on threats to the United States and allied strategic materials suppliers, as well as the U.K. Parliament and members of the U.S. Congress on critical materials. Dr. Hatch has contributed to and has been referenced by reports published by the U.S. General Accountability Office, the U.S. Geological Survey, the British Geological Survey, the DoD, the U.S. Department of Energy ("DoE"), and many others.

"It is my sincere pleasure to welcome Gareth to the Board of [Alabama Graphite Corp.](#)," commented Donald Baxter, AGC's President and Chief Executive Officer. "The Company's Board and management team look forward to Gareth's contributions, perspective and insights as a world-renowned critical materials expert with extensive experience with both the U.S. DoD and DoE. I have known Gareth for years and he has been following AGC closely since shortly after I joined. I can attest that he fully understands and appreciates our unique business strategy focusing entirely on secondary processed Coated Spherical Graphite ("CSPG") for Li-ion batteries and, as importantly, the primary audience we are targeting."

Dr. Hatch stated, *"Since my initial site visit to the Coosa Graphite Project last October, I was very intrigued with the new strategic direction Don Baxter had deployed for AGC. To me, focusing on the battery-ready specialty CSPG graphite market with a small, scalable production target is the only business model that makes sense in the flake-graphite development space. Targeting those U.S. government-related entities that value - and, in some cases, require - a U.S. sourced and manufactured solution just makes sense. I met with and thoroughly interviewed AGC's technical team and was so impressed, I decided to accept the invitation to join the Company. I am pleased to join my fellow Directors, Don Baxter, Daniel Goffaux and Chairman Jean Depatie, and look forward to working with them in the future."*

Click to read Gareth Hatch's report: *'A Visit to the Alabama Graphite Coosa Project'* (February 2016)

Click to read Gareth Hatch's report: *'Alabama Graphite's Coated Spherical Purified Graphite for the Lithium-ion Battery Industry'* (June 2016)

In connection with Dr. Hatch's appointment, Dave Ramm has resigned as a Director of the Company, effective immediately. The Board of Directors thanks Mr. Ramm for his contributions to the Company over the past year and wishes him well in his future endeavours.

On behalf of the Board of Directors of

[Alabama Graphite Corp.](#)

Donald K. D. Baxter, P.Eng., President, Chief Executive Officer and Executive Director

Qualified Person

Donald K. D. Baxter, P.Eng., President, Chief Executive Officer and Executive Director of [Alabama Graphite Corp.](#), is a

About Alabama [Graphite Corp.](#)

[Alabama Graphite Corp.](#) is a Canadian-based flake graphite exploration and development company as well as an aspiring battery materials production and technology company. The Company operates through its wholly owned subsidiary, Alabama Graphite Company Inc. (*a company registered in the state of Alabama*). With an advancing flake graphite project in the United States of America, [Alabama Graphite Corp.](#) intends to become a reliable, long-term U.S. supplier of specialty high-purity graphite products. A highly experienced team leads the Company with more than 100 years of combined graphite mining, graphite processing, specialty graphite products and applications, and graphite sales experience. [Alabama Graphite Corp.](#) is focused on the exploration and development of its flagship Coosa Graphite Project in Coosa County, Alabama, and its Bama Mine Project in Chilton County, Alabama as well the research and development of its proprietary manufacturing and technological processing process of battery materials.

[Alabama Graphite Corp.](#) holds a 100% interest in the mineral rights for these two U.S.-based graphite projects, which are both located on private land. The two projects encompass more than 43,000 acres and are located in a geopolitically stable, mining-friendly jurisdiction with significant historical production of crystalline flake graphite in the flake graphite belt of central Alabama, also known as the Alabama Graphite Belt (*source: U.S. Bureau of Mines*). A significant portion of the Alabama deposits are characterized by graphite-bearing material that is oxidized and has been weathered into extremely soft rock. Both projects have infrastructure in place, are within close proximity to major highways, rail, power and water, and are approximately three hours (by truck or train) to the Port of Mobile, the Alabama Port Authority's deep-seawater port and the ninth largest port by tonnage in the United States (*source: U.S. Army Corps of Engineers/USACE*). The state of Alabama's hospitable climate allows for year-round mining operations and the world's largest marble quarry (which operates 24 hours a day, 365 days a year in Sylacauga, Alabama), is located within a 30-minute drive of the Coosa Graphite Project.

On November 30, 2015, [Alabama Graphite Corp.](#) announced the results of PEA for the Coosa Graphite Project, indicating a potentially low-cost project with potential positive economics. Please refer to the Company's technical report titled "[Alabama Graphite Corp. Preliminary Economic Assessment \(PEA\) on the Coosa graphite Project, Alabama, USA](#)" dated November 27, 2015, prepared by independent engineering firms AGP Mining Consultants Inc. and Metal Mining Consultants Inc., and filed on SEDAR at www.sedar.com.

Note: a preliminary economic assessment is preliminary in nature, it includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized.

** Inferred Mineral Resources represent material that is considered too speculative to be included in economic evaluations. Additional trenching and/or drilling will be required to convert Inferred Mineral Resources to Measured or Indicated Mineral Resources. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. There is no guarantee that all or any part of the Mineral Resource will be converted into a Mineral Reserve.*

For further information and updates on the Company or to sign up for [Alabama Graphite Corp.](#) News, please visit www.alabamagraphite.com or follow us on Twitter, Facebook and LinkedIn.

Forward-Looking Statements

This press release contains forward-looking information under applicable Canadian securities laws ("forward-looking statements"), which may include, without limitation, statements with respect to any potential relationships between the Company and any end users and/or the DoD. The forward-looking statements are based on the beliefs of management and reflect [Alabama Graphite Corp.](#)'s current expectations. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the current view of [Alabama Graphite Corp.](#) with respect to risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of graphite; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labor disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the Company's publicly filed documents. Forward-looking statements are also based on a number of assumptions, including that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for exploration is available as scheduled and does not incur unforeseen breakdowns, that no labor shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other

related services are available and perform as contracted. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and [Alabama Graphite Corp.](#) undertakes no obligation to update forward-looking statements (unless required by law) if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements. [Alabama Graphite Corp.](#) cautions that the foregoing list of material factors and assumptions are not exhaustive. When relying on [Alabama Graphite Corp.](#) forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and assumptions and other uncertainties and potential events.

[Alabama Graphite Corp.](#) has also assumed that the material factors and assumptions will not cause any forward-looking statements to differ materially from actual results or events. However, the list of these factors and assumptions is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

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Contact

[Alabama Graphite Corp.](#)

Ann-Marie M. Pamplin
Director of Investor Relations
+1 (416) 309-8641
apamplin@alabamagraphite.com
www.alabamagraphite.com
[Alabama Graphite Corp.](#)
First Canadian Place
100 King Street West
Suite 5700
Toronto, Ontario M5X 1C7
CANADA