

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug 23, 2016) - [Graphite One Resources Inc.](#) (TSX VENTURE:GPH)(OTCQX:GPHOF) ("Graphite One" or the "Company") is pleased to announce that it has completed its non-brokered private placement offering (the "Offering"). The Offering was originally announced in the July 15, 2016 press release with a goal of raising CA\$1.0 million, was oversubscribed, raising gross proceeds of CA\$1.3 million.

The net proceeds of the Offering will be used for exploration and development of the Company's Graphite Creek Project, for final preparation of the Graphite Creek Preliminary Economic Assessment (PEA) projected for completion at the end of Q3 2016, and for general working capital purposes.

The Company has issued 16,250,000 Units (the "Units") at a price of CA\$0.08 per Unit for a total of CA\$1.3 million. Each Unit consists of one common share (a "Common Share") and one transferable common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one full Common Share at a purchase price of CA\$0.12 per Common Share and will expire on the earlier of: (a) two years from the date of issuance; and (b) in the event the Common Shares trade at a volume of CA\$0.21 or more on the TSXV Venture Exchange or the Toronto Stock Exchange for 10 consecutive trading days, the Company may, at its option, issue a press release and a notice to the Warrantheader for the expiry of the Warrants on the date that is 45 days from the press release and notice and the Warrantheader may exercise the Warrants during this 45 day period (but no later than two years from the date of issuance).

No new insiders were created, nor any change of control occurred, as a result of this Offering.

In connection with the Offering, the Company paid finders' fees to arm's-length parties. Broker fees totalled CA\$67,664 with 845,800 non-transferable broker Warrants being issued, with each such broker Warrant entitling the holder to acquire one additional Common Share at the same price and under the same terms as the Warrants described above.

Final closing of the Offering is subject to receipt of final applicable regulatory approvals including approval of the TSX Venture Exchange. All securities issued in connection with the Offering will be subject to a restricted period that expires four months and a day following the date of issuance.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Graphite One

[Graphite One Resources Inc.](#) (TSX VENTURE:GPH)(OTCQX:GPHOF) is exploring with the intent to develop the Graphite Creek Project, USA's largest known large flake graphite deposit situated on the Seward Peninsula of Alaska about 60 kilometers north of Nome. The Project is progressing from the exploration to the evaluation phase. Work to date has identified a large, high grade and at-surface resource with simple geology and good mineralization continuity. The Project has the potential to produce products that will effectively compete in the high end battery market (for both electric vehicles and power storage) as well as other markets for purified graphite and graphite by-products. For more information please see www.graphiteoneresources.com.

ON BEHALF OF THE BOARD OF DIRECTORS

"Anthony Huston" (*signed*)

For more information on [Graphite One Resources Inc.](#) please visit the Company's website, www.GraphiteOneResources.com.

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 adequacy or accuracy of this release.

This release includes certain statements that may be deemed to be forward-looking statements. All statements in this release, other than statements of historical facts that address receipt of TSX Venture final approval and the actual use of proceeds are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed in this press release, and the Company undertakes no obligation to update publicly or revise any forward-looking information, except as required by applicable securities laws. For more information on the Company, investors should review the Company's continuous disclosure filings that are available at www.sedar.com.

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