TORONTO, ONTARIO--(Marketwired - Oct 4, 2016) - Queens University and Eagle Graphite Inc. (TSX VENTURE:EGA)(FRANKFURT:NJGP)(OTC:APMFF) ("Eagle Graphite", "Eagle", or the "Company") are pleased to announce that the NSERC Engage committee has granted an award for research and development of environmentally friendly and scalable production of multi-layered graphene from graphite.

NSERC, the Natural Sciences and Engineering Research Council of Canada, is a federal government agency that selectively invests in research at the frontier of knowledge.

The six-month project will be led by Dr. Aristides Docoslis, PhD, P.Eng., Associate Professor of Chemical Engineering at Queens University in Kingston, Ontario. The primary objective is the development of cost-effective and scalable methods of producing multi-layered graphene using graphite from Eagle's production facility in British Columbia. George Hawley of Supermin Enterprises will provide additional guidance and support as a consultant to the project.

Dr. Docoslis says: "Multi-layered graphene is partially exfoliated graphite in the form of nanoparticles having more than 10 layers of graphene and a relatively high length-to-thickness ratio. This material can be the key-ingredient in the production of new and technologically advanced composite materials that are much needed in emerging industrial sectors, including the aerospace and automotive sector, sports equipment, and emerging alternative-energy/fuel cell industries. They can also be used in the application of protective coatings that provide antibacterial protection, super-hydrophobicity, or chemical resistance. During our collaboration with Eagle Graphite we will identify a physical process that is scalable, cost-effective, and can produce multi-layered graphene of sufficient quantity and quality."

George Hawley notes "Plastics have widespread uses because they are versatile and inexpensive. However, for applications needing strength and stiffness, plastics need reinforcements to make composites such as carbon fibre. Carbon fibres are 10 times stronger than steel, weigh 80% less, and can be molded in their final form. The use of carbon fibre is steadily increasing in passenger jets, where the reduced weight results in lower fuel consumption and less air pollution. The automobile industry, facing increasingly stringent CAFE standards, or for electric vehicles, increasing demands for battery range, will require similar weight reductions. However, carbon fibre is still too expensive for most automobiles, and significant cost reductions are unlikely with existing processes."

"The addition of multi-layered graphene to carbon fibre could potentially deliver both an increase in strength and a substantial reduction in cost, resulting in a composite that is practical for the bodies of mass produced automobiles. Successful market penetration of such a product would be expected to consume up to 140,000 tonnes of graphite per year."

"This is the rationale for the NSERC/ENGAGE grant research. It will delaminate Eagle Graphite flakes to make multi-layered graphene, by processes that are scalable to industrial production."

Jamie Deith, CEO of Eagle Graphite, explains why he believes this project stands apart from graphene work conducted by other graphite companies. "Most graphene research is focused on end products that will be too expensive for anything other than niche applications. In Eagle's view, these will never be consequential in terms of graphite volume. This initiative is different because the objective is a process with sufficiently modest costs to make it practical for potentially large target markets."

About Queen's University

Queen's is one of Canada's oldest degree-granting institutions and a full-spectrum, research-intensive university that conducts leading-edge research in a variety of areas. It balances excellence in undergraduate studies with well-established and innovative graduate programs. The department of Chemical Engineering at Queen's is an award-winning department in both research and teaching, reflecting the dedication in the Department to achieve the highest standard of academic excellence. Its mission is to provide internationally recognized leadership in education and research at the interface of science and engineering, anticipate the needs of our students and society as a whole, and contribute to responsible solutions for future generations. The Department of Chemical Engineering is nationally recognized as one of the top research departments in Canada and internationally acknowledged as a leading department in North America.

About Supermin

Supermin Enterprises is the consulting company of George C Hawley. Mr. Hawley worked in the UK as a Research & Development Chemist for Morgan Crucible company, a leading global manufacturer of synthetic graphite products. Later, as Technical & Marketing Director at Martin Marietta Corporation in Quebec, he was responsible for the development of the Suzorite Mica business. Working closely with auto manufacturers Ford, General Motors, Chrysler and Volkswagen, and with plastics producers GE, DuPont, GAF, and Hercules, he pioneered the reinforcement of plastics using high aspect ratio mica flake, and brought this to a production capacity of 30,000 tonnes per year.

Since 2000, Mr. Hawley has been a consultant providing expert guidance to the industrial minerals industry, including graphite.

## 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", on the Frankfurt Stock Exchange under the symbol "NJGP", and on the US OTC market under the symbol "APMFF".

## 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.

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## Contact

Eagle Graphite Inc.
Jamie Deith
President & CEO
(604) 909-4237
jdeith@eaglegraphite.com