

Vancouver, British Columbia--(Newsfile Corp. - October 17, 2016) - CKR Carbon Corporation. (TSXV: CKR) (FSE: CB81) ("CKR" or the "Company") an anode and value-added graphite development Company and operator of the Aukam vein-graphite project in Namibia is pleased to announce that it has retained First Republic Capital Corporation ("First Republic") to act as its exclusive lead agent in respect of a brokered private placement to raise up to CAD\$920,000 (the "Private Placement").

Under the Private Placement, First Republic will act as agent on a commercially reasonable efforts basis to sell up to 10,000,000 units ("Units") of the Company at a price of CAD\$0.08 per Unit to raise aggregate proceeds of up to CAD\$800,000 and up to 1,333,333 flow through shares ("Flow-Through Shares") at a price of CAD \$0.09 to raise aggregate flow-through proceeds of CAD\$120,000.

Multiple insiders of the Company have indicated their support for the Private Placement. Any such participation would be a related-party transaction under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101") but will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair-market value of the subject matter of the transaction nor the consideration paid will exceed 25% of the Company's market capitalization. The Private Placement was approved by all of the independent directors of the Company.

The number of Common Shares potentially issuable to insiders of the Company pursuant to the Private Placement (including any Common Shares issuable upon the exercise of the Warrants) will represent not more than 10% of the Company's currently issued and outstanding Common Shares on a non-diluted basis.

Each Unit is comprised of: (i) one common share of the Company (a "Share"); and (ii) one-half of one common share purchase warrant of the Company, with each whole common share purchase warrant (a "Warrant") entitling the holder to purchase one additional common share of the Company at an exercise price of CAD\$0.15 for a period of 12 months from the date of issuance of the Units (the "Warrant Expiry Date"). In the event that the closing price of the Company's common shares on the TSX Venture Exchange (or such other exchange on which the Company's common shares may become traded) is CAD\$0.20 or greater per common share during any 20 consecutive trading day period at any time subsequent to four months and one day after the closing date, the Warrants will expire, at the sole discretion of the Company, at 4:00 p.m. (Toronto time) on the 30th day after the date on which the Company provides notice of such accelerated expiry to the holders of the Warrants.

The Company has agreed to pay First Republic cash compensation of: (i) a corporate finance fee equal to 2% of the gross proceeds of the Private Placement, and (ii) a sales commission up to 8% of the gross proceeds of the Private Placement, and to issue broker units (on the same terms as the Units) in respect of the sale of Units ("Broker Units") or warrants to purchase common shares at \$0.09 for one year from closing in respect of the sale of Flow-Through Shares ("Broker Warrants") to First Republic in the following amounts: (i) corporate finance Broker Units or Broker Warrants equal to 2% of the aggregate number of Units or Flow-Through Shares sold in the Private Placement, and (ii) selling compensation Broker Units or Broker Warrants up to 8% of the aggregate number of Units or Flow-Through Shares sold in the Private Placement.

All securities issued pursuant to the Private Placement will be subject to a four-month hold period from the date of closing of the Private Placement. The Private Placement is subject to the approval of the TSX Venture Exchange.

The net proceeds from the sale of the Units will be used for underground exploration, including drilling and sampling at the Aukam Graphite Mine in Namibia in order to apply for a mining permit and for working capital. The net proceeds from the sale of flow-through shares will be used for exploration of the Company's graphite projects in Quebec.

About the Aukam Project

CKR has, through a binding Farm Out Agreement with [Next Graphite Inc.](#), an option to acquire 63% of the Aukam graphite project by meeting certain milestones and making cash payments. It also has the option to buy an incremental 10% of Next's remaining interest in the License subject to agreement by Next. To date, CKR has spent more than US\$400,000 on the project and consequently has earned over a 23% interest not including the agreement above.

The Aukam Graphite Project is located on 34,082.15 hectares in southern Namibia close to the port city of Luderitz. The property hosts three underground adits which were mined periodically between 1940 and 1974. Five dumps from the historical mining occur on the property and 73 composite samples taken from the lower three dumps were assayed and averaged 42% Cg. While these composite samples were selected from a much larger screened sample of the dumps, they are not considered representative of the mineralization on the property as a whole.

CKR recently completed a bulk sampling program at Aukam, and has a letter of intent to sell the graphitic material produced during the program. CKR is currently undertaking studies to support an application for a mining license. The company maintains high safety and environmental standards and has a comprehensive strategy of social engagement.

About CKR Carbon Corporation

[CKR Carbon Corp.](#) is focused on high quality, natural graphite suitable for use in lithium-ion batteries, graphite foil, graphene and other value-added high growth technology applications. We only select projects requiring low capital and a short time to market. The company is listed on the TSX Venture Exchange under the symbol CKR and has 33.2 million shares outstanding.

For more information: visit the website at www.ckr-carbon.com or contact:

Roger Moss, CEO, +1 416-704-8291 E-mail inquiries: rmoss@ckr-carbon.com

For graphite product enquiries:

Arno Brand, Boswell Projects, +1 416-561-4095 abrand@boswellprojects.com

FIRST REPUBLIC CAPITAL CORPORATION

Anthony Durkacz (416) 720-4360

"Neither 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."

FORWARD LOOKING STATEMENTS: This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All of the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at www.sedar.com).