

MONTREAL, QUEBEC--(Marketwired - Nov 8, 2016) - [Mason Graphite Inc.](#) ("Mason Graphite" or the "Company") (TSX VENTURE:LLG)(OTCQX:MGPHF) is pleased to announce that, as originally mentioned in its press releases issued on September 6th and 27th, 2016, the Company has completed an additional equity investment of \$1,000,000 in Group NanoXplore Inc. ("NanoXplore").

After its initial investment in February 2014 and after giving effect to this investment, Mason Graphite's equity interest in NanoXplore now stands at 32.5% of the new total amount of shares outstanding. Mason Graphite remains NanoXplore's sole graphite supplier and acts as commercialisation agent.

Benoît Gascon, President and CEO of Mason Graphite, commented: "We have been very happy with the business progression of NanoXplore and its industrialization strategy which focuses on markets with large potential like all the polymers applications among others. All current users of graphite being potential users of graphene, this partnership aligns perfectly with our commercial strategy."

More information about this financing is available in a press release issued by NanoXplore in which Soroush Nazarpour, President and CEO of NanoXplore, commented: "NanoXplore will use the funds raised to scale production of graphene from 4 to 64 metric tonnes per year, and to help its customers develop new and innovative products using graphene-enhanced polymers." NanoXplore recently increased the footprint of its manufacturing facility, which was commissioned in 2015, from 8,500 sq. foot to 24,000 sq. foot.

Further to the closing of the bought deal private placement offering announced on September 27th, 2016, Mason Graphite reports that insiders of Mason Graphite purchased an aggregate of 17,590,909 common shares. Accordingly, the private placement is a "related party transaction" within the meaning of Regulation 61-101 *respecting Protection of Minority Security Holders in Special Transactions* ("Regulation 61-101"). Since the fair market value of the consideration for the common shares issued to insiders did not exceed 25% of Mason Graphite's market capitalization, Mason Graphite relied on the exemptions from the valuation and minority shareholder approval requirements of Regulation 61-101 contained in Sections 5.5(a) and 5.7(1)(a) of Regulation 61-101.

On October 26, 2016, the Board adopted a new stock option plan to replace its rolling stock option plan by a fixed number stock option plan (the "New Stock Option Plan"). The TSX Venture Exchange has conditionally approved the New Stock Option Plan on November 3, 2016. The Company's previous stock option plan was adopted on September 11, 2012 and was last approved by the shareholders of the Company at its annual meeting on December 15, 2015. Under the New Stock Option Plan, the Company is authorized to grant stock options for a maximum of 11,000,000 common shares, which is less than 10% of its issued and outstanding common shares. As of the date hereof, there is an aggregate of 7,413,333 options outstanding, which represents approximately 6.5% of the total number of issued and outstanding common shares of the Company.

About Group NanoXplore Inc.

NanoXplore is a Montreal-based advanced materials company and Canada's largest producer of graphene. NanoXplore supplies few layer graphene powder, masterbatch pellets of graphene-enhanced polymers, and blow and injection molded products. NanoXplore's core technology is a patented, low-cost and environmentally friendly process to manufacture high quality graphene from natural flake graphite. This graphene is used to engineer high performance composites by dispersing small amounts of graphene into polymers to enhance their mechanical, thermal and electrical properties. NanoXplore creates innovative products for applications including electric motors, enclosures with EMI shielding and thermal management, piping, impermeable containers, surface vehicles and next generation batteries.

For more information, visit www.nanoxplore.ca.

About Mason Graphite and the Lac Guéret Project

Mason Graphite is a Canadian mining and processing company focused on the development of its 100% owned Lac Guéret natural graphite deposit located in northeastern Québec. The Company is led by a highly experienced team that has over five decades of experience in graphite production, sales, and research and development. For more information, visit www.masongraphite.com.

[Mason Graphite Inc.](#) On Behalf of the Board

"Benoît Gascon, CPA, CA", President & Chief Executive Officer

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.

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