

Supply agreement expected to follow completion of pre-production testing

TORONTO, ONTARIO--(Marketwired - Jun 9, 2017) - [Great Lakes Graphite Inc.](#) ("GLK" or the "Company") (TSX VENTURE:GLK)(OTC PINK:GLKIF)(FRANKFURT:8GL) is pleased to announce the Company has officially entered the battery materials market with the shipment of two purchase orders to an international manufacturer of stationary battery systems. The first of the two purchase orders is for 50 kilograms of material that will be used in pre-production test manufacturing of a battery unit designed for use in industrial applications. The second purchase order the Company shipped, included five kilograms each of five different high purity micronized synthetic and natural flake graphite powders.

Highlights

- New customer represents a large, fast growth market for stationary battery systems
- Supply agreement expected to follow completion of pre-production testing
- Sampling and qualification processes provide opportunities to demonstrate capabilities
- Navigant Research, a global clean-tech research firm predicts the international stationary battery market to grow to US \$5.9 billion by 2020

Senior Vice President of Sales, Michael Coscia commented on this big step forward by Great Lakes in saying, "Shipping graphite orders to a large battery customer represents a significant milestone in our progress towards becoming an active member of the battery supply chain. Our management team and our partners have assembled the pieces necessary to provide customers in this burgeoning market with the materials that they require to build out commercial chemistries for the battery applications. Our partners at Shamokin Carbons have been an invaluable resource in enabling us to respond quickly to incoming requests for new product formulations and progressively larger samples. Our sales and marketing team continue to develop substantial technical credibility and goodwill as we work collaboratively with our customers through the entire qualification process."

Great Lakes and Ashland Advanced Materials Accelerate Battery Market Infrastructure

Great Lakes Graphite and New York based partner Ashland Advanced Materials have been working to accelerate their collaborative efforts to ramp up full scale manufacturing for the battery materials market. Research from Benchmark Minerals Intelligence indicates that battery grade material, or coated, spheronized, purified graphite (CSPG) currently sells for US\$10-12,000 per ton and has projected that the market for lithium-ion battery anode demand will grow from a current 130,000 tons per year to 230,000 tons per year by 2020. Great Lakes Graphite considers the given prices to be consistent with its own pricing for high purity micronized graphite in the \$7,000 per ton range.

Several key initiatives are being pursued in parallel to plan and prepare for a large-scale ramp up in the manufacturing of large volumes of high value graphite products. These initiatives include identifying process improvements to the contemplated purification process flowsheet with the objectives of driving costs down while improving throughput and production efficiencies.

Initial estimates anticipate projects costs of approximately \$25-30 million USD and twenty-four months to complete the buildout. Net margins are projected to be approximately 50%, or \$5,000 per ton. Great Lakes Graphite is in advanced discussions with a New York-based investment bank in regard to various financing options that will likely include a combination of debentures and equity. The State of New York has also invested over \$25 million to incentivize battery and energy storage related businesses and the Company will be seeking to access sources of funding through available programs that are an appropriate fit.

Great Lakes Graphite Chief Executive Officer Paul Gorman said: "We are accelerating our preparations for scaling up manufacturing products for the battery market. This includes working with our partners to insure that adequate production capacity is available. We have also recently had discussions with our supplier regarding our new long term forecasts that anticipate a production rate that is four to five times what we had originally planned. We are extremely fortunate to be working with one of the top graphite producers in the world that have continuously operated a clean, green, sustainable and highly socially responsible operation now for over seventy years."

With development work in the purification area well underway, Great Lakes Graphite is also investigating potential new technologies and process improvements that offer the potential for manufacturing spherical graphite with greater precision, efficiency and yields.

Great Lakes Graphite to present at Marcum MicroCap Conference on June 15, 2017

Great Lakes Graphite is scheduled to present at the Marcum MicroCap Conference on Thursday, June 15, 2017 at the Grand Hyatt Hotel in New York City. CEO Paul Gorman will give a presentation regarding near term opportunities in the battery supply chain and the plans that Great Lakes Graphite has to be a major participant in that market.

The Marcum MicroCap Conference is an annual highlight on the investment community calendar. Since its launch in 2012, this

event has become a nationally recognized forum for publicly traded companies with less than \$500 million in market capitalization to network with fund managers and high net worth investors who focus on small cap equities. More than 2,000 participants from all segments of the microcap market participate each year, including senior management, finance and legal executives, venture and lower middle-market private equity investors, institutional investors, directors, investment bankers, buy- and sell-side analysts, and service providers to the microcap marketplace.

About Great Lakes Graphite: Great Lakes Graphite is an industrial minerals processing company supplying customers with innovative, high quality value-added carbon products.

There is no significant graphite production in North America now. As pricing and demand continue to rise, Great Lakes Graphite is one of the first new domestic suppliers to a growing regional customer base. We continually work to deliver products of the best quality with outstanding customer service.

The Company is party to an agreement for long-term supply of high quality natural graphite concentrate from Brazil (see news release dated 03/23/15). Great Lakes Graphite is presently working with an established US-based processor for toll micronization services. The Company has partnered with Ashland Advanced Materials for commercial-scale purification operations at Ashland's 110,000 square foot purification facility located in Niagara, New York.

Through our partner relationships, Great Lakes Graphite began selling micronized synthetic graphite beginning in 2016 and now supplies micronized and high purity micronized natural flake graphite products to a growing customer base.

Further information regarding Great Lakes can be found on the Company's website at: www.GreatLakesGraphite.com.

Great Lakes Graphite trades with symbol GLK on the TSX Venture Exchange and currently has 125,656,830 shares outstanding.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Caution Regarding Forward-Looking Information: Certain statements in this press release may constitute "forward-looking information" which involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this press release, such forward-looking information may use such words as "may", "will", "expect", "believe", "plan" and other similar terminology. Forward-looking information is provided for the purpose of presenting information about management's current expectations relating to the future events and the operating performance of the Company, and readers are cautioned that such information may not be appropriate for other purposes. The forward-looking statements involve a number of risks and uncertainties. These risks and uncertainties include, but are not limited to, the ability of the Company to fulfill the orders and future orders, regulatory requirements, general economic, market or business conditions and future developments in the sectors of the economy in which the business of Great Lakes operates. The foregoing list of factors is not exhaustive. Please see the Company's financial statements, MD&A and other documents available on www.sedar.com, for a more detailed description of the risk factors. The Company undertakes no obligation to update publicly or revise any forward-looking information, whether a result of new information, future results or otherwise, except as required by law.

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