Graphite One Responds to OTC Markets Request on Recent Promotional Activity

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VANCOUVER, Jan. 14, 2023 - Graphite One Inc. (TSXV: GPH) (OTCQX: GPHOF) ("Graphite One" or the "Company") has received a request from OTC Markets Group Inc. ("OTC Markets") to issue a statement about recent promotional activity concerning its common shares (the "Common Shares").

On January 12, 2023, OTC Markets informed the Company that it became aware of certain promotional activities concerning the Company and the Common Shares traded on the OTCQX Marketplace, including the distribution of digital marketing materials and promotional newsletter emails published by Promethean Marketing Inc. ("Promethean") and its affiliates discussing the Company, its business, and the graphite industry in general. The marketing materials also contain summaries of recent news releases issued by the Company. OTC Markets provided samples of the promotional material for reference.

Promethean is a third-party digital marketing firm retained by the Company to provide communications and digital media services. The information contained in the marketing materials are factual statements regarding the Company, its business, and the graphite industry.

The Company provided Promethean with publicly available source of information for its marketing materials and retained editorial control over the wording in the materials, including reviewing the materials for factual accuracy prior to their dissemination. The Company does not believe the statements in the marketing materials and newsletter emails were false or misleading. The appointment of Promethean, the nature of the relationship between Graphite One and Promethean as well as the compensation to be paid to Promethean were publicly disclosed in a news release on May 10, 2022, which can be found under the Company's profile on SEDAR and on the Company's website. As disclosed in the May 10, 2022 news release, to the best of our knowledge, Promethean nor any of its principals own any common shares, directly or indirectly, in the Company. The commencement of the digital marketing campaigns began on October 1, 2022.

In the last 12 months, the Company has engaged Promethean and TD Media LLC dba Life Water Media LLC to provide digital marketing services including content creation, distribution, and market awareness campaigns.

Since the start of the digital marketing campaigns there has been no unusual or significant trading volume in the Common Shares.

After an inquiry by management, certain directors, officers, and a control person purchased a total of 905,000 Common Shares in the Company from the exercise of warrants and stock options within the past 90 days of which 20,000 Common Shares were sold.

On August 30, 2022, the Company closed the first tranche of a non-brokered private placement of 8,762,071 units at a price of $1.15 per unit for gross proceeds of $10,076,382 and closed the final tranche on November 21, 2022 of 560,916 units for gross proceeds of $645,052. The $1.15 per unit was a 7% discount to the closing price on the August 8, 2022 announcement of the non-brokered private placement.

On September 19, 2022, the Company announced the repricing to a shares for debt transaction ("Debt Settlement Transaction") with Taiga Mining Company, Inc. to settle an outstanding debt in an aggregate of US$6,775,230 owing pursuant to an unsecured loan facility dated September 9, 2019, as amended and extended. Pursuant to the revised terms of the Debt Settlement Transaction, the Company issued 9,296,328 common shares at a deemed price of $0.95 per share in full settlement of the debt, which was a 17% discount to the closing price on the August 23, 2022 announcement of the shares for debt settlement.

About Graphite One Inc.

Graphite One Inc. (TSX-V: GPH; OTCQX: GPHOF) continues to develop its Graphite One Project (the "Project"), with the goal of becoming an American producer of high-grade anode materials that is integrated with a domestic graphite resource. The Project is proposed as a vertically integrated enterprise to mine, process and manufacture high grade anode materials primarily for the lithium-ion electric vehicle battery market. As set forth in the Company's 2022 Pre-Feasibility Study, potential graphite mineralization mined from the Company's Graphite Creek Property is expected to be processed into concentrate at a graphite processing plant. The proposed processing plant would be located on the Graphite Creek Property situated on the Seward Peninsula about 60 kilometers north of Nome, Alaska. Graphite anode materials and other value-added graphite products would be manufactured from the concentrate and other materials at the Company's proposed advanced graphite materials manufacturing facility expected to be located in Washington. The Company intends to make a production decision on the Project upon the completion of a Feasibility Study.

On Behalf of the Board of Directors

"Anthony Huston" (signed)

For more information on Graphite One Inc., please visit the Company's website, www.GraphiteOneInc.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.

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