



NORTHERN  
GRAPHITE  
CORPORATION

TSXV NGC  
OTC NGPHF  
FRA 0NG  
XSTU 0NG  
northerngraphite.com

## Northern Graphite and Graphex Technologies Join Forces on Large-Scale Graphite Processing Facility Site Evaluations in Baie-Comeau

**January 12, 2023:** Northern Graphite Corporation (**NGC:TSX-V, NGPHF:OTCQB, FRA:0NG, XSTU:0NG**) (the “**Company**” or “**Northern**”) and Graphex Technologies LLC, the U.S. subsidiary of Graphex Group Limited (NYSE American: GRFX | HKSE: 6128) (collectively “**Graphex**”), announce that Graphex will participate in Northern’s previously announced selection process ([January 10, 2023](#)) for a site suitable for the construction of a large-scale graphite processing facility in the Baie-Comeau region. The plant is planned to supply coated spherical graphite anode material to the EV/battery markets in North America and beyond. On [December 21, 2022](#) Northern and Graphex announced the signing of a non-binding letter of intent to negotiate a joint venture agreement to build a North American mine-to-battery supply chain.

Northern and Graphex will work closely with the Department of Innovation and Development for the Manicouagan/Baie-Comeau region of Quebec to identify and evaluate sites that could accommodate processing facilities to produce up to 200,000 tonnes per year (tpy) of battery anode material where they could conduct their proposed joint venture. Northern would provide security of raw mineral supply (graphite concentrate) and it is contemplated that Graphex would license and/or contribute its technology, plans and expertise for building and operating the plant(s). Construction of the proposed battery anode material plant would be subject to the identification and acquisition of an appropriate site, receipt of regulatory approvals and financing.

The Manicouagan/Baie-Comeau region presents uniquely advantageous infrastructure and operating conditions for the Joint Venture to achieve its objectives, including ample renewable energy (hydro power), greenfield and brownfield locations, a deep sea international port, and most importantly a welcoming local, regional, and national political and financial environment with favorable incentive potential.

The current supply picture for natural graphite in North America is marked both by a significant shortfall in the availability of non-China-sourced graphite raw material that is needed to meet projected demand, and the complete absence of experienced commercial-scale downstream processing to transform that raw material into battery-grade anode material. The collaboration between Northern and Graphex seeks to solve both issues on an industry-wide level by providing OEMs and battery makers with a transparent, ESG compliant supply of quality product needed to meet current and future demand.

Northern owns the only graphite mine that is producing at commercial scale in North America with a current output of 15,000 tpy of graphite mine concentrate. It also has three development projects with the resources to produce over 100,000 tpy by 2025 and 300,000 tpy by 2027.

Graphex has a decade-long history of processing mine concentrates and produces 10,000 tpy of high yield, high quality battery anode material. Graphex is the only current commercial downstream processor of natural graphite into battery anode material that intends to develop an anode material processing plant in North America.

“This is an integral step towards finalizing the terms of a binding joint venture agreement with Graphex to produce Coated Spherical Graphite Anode Material for the North American EV/Battery market,” said Hugues Jacquemin CEO of Northern Graphite. “Over the next few months we look forward to making further announcements on this and other initiatives that are in advanced stages of negotiation.”

“The potential to secure an appropriate site in the Baie-Comeau area in collaboration with Northern would allow Graphex to accelerate the expansion of its experienced mid-stream processing capabilities into North America,” said John DeMaio, CEO of Graphex. “Given the need for large volumes of anode material and the emphasis placed on creating domestic North American supply chains, the Graphex-Northern-Baie-Comeau collaboration represents a significant advancement toward making a domestic supply chain for graphite anode material a reality sooner rather than later.”

“The addition of Graphex to the Baie-Comeau anode material project is excellent news for the region and for the development of the battery strategy in Quebec,” explained Guy Simard, Director of Industrial Development for Innovation and Développement Manicouagan. “This partnership adds significant value to the project by bringing together the expertise and capabilities of Northern as a natural graphite producer with those of Graphex as an anode material producer.”

### **About Northern Graphite**

Northern is a Canadian, TSX Venture Exchange listed company that is focused on becoming a world leader in producing natural graphite and upgrading it into high value products critical to the green economy including anode material for lithium-ion batteries/EVs, fuel cells and graphene, as well as advanced industrial technologies.

Northern is the only significant graphite producing company in North America and is positioned to become the third largest outside of China when its Namibian operations come back online. The Company also has two large scale development projects, Bissett Creek in Ontario and Okanjande in Namibia, that will be a source of continued production growth in the future. All projects have "battery quality" graphite and are located close to infrastructure in politically stable countries. [www.northerngraphite.com](http://www.northerngraphite.com)

### **About Graphex**

Graphex Group Limited, is a Cayman Island company with its principal offices in Hong Kong and regional offices in Shanghai and Royal Oak, MI, USA. Graphex is focused on the development of technologies and products to enhance renewable energy, particularly the production of spherical graphite and graphene, key components in EVs/lithium-ion batteries as well as in other uses. Graphex has extensive commercial experience in the deep processing of graphite and producing battery grade purified spherical graphite. Current production is 10,000 tpa and an expansion is underway to increase production to 20,000 tpa within the next 12 months. Graphex intends to further expand existing operations to 40,000 tpa over the next three years. Graphex is currently among the top suppliers of specialized spherical graphite to the EV and renewable energy industries and holds patents in areas including products, production methods, machinery design, and environmental protection. Graphex’s strategy is to expand its operations globally to support energy transition and electrification efforts worldwide. [www.graphexgroup.com](http://www.graphexgroup.com)

### **For additional information**

Please visit the Company’s website at <http://www.northerngraphite.com/investors/presentation/>, the Company’s profile on [www.sedar.com](http://www.sedar.com), our **Social Channels** listed below or contact the Company at (613) 271-2124.



### **Cautionary Note Regarding Forward-Looking Statements**

*This news release contains certain “forward-looking statements” within the meaning of applicable Canadian securities laws. Forward- looking statements and information are frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “potential”, “possible” and other similar words, or statements that certain events or conditions*

*“may”, “will”, “could”, or “should” occur. Forward-looking statements in this release include statements regarding, among others, the Company’s intentions with respect to the planned construction of a battery anode material processing plant, bringing its Namibian operations back on line, advancing its developments projects to production, and developing the capacity to manufacture value added products. All such forward-looking statements are based on assumptions and analyses made by management based on their experience and perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. However, these statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected including, but not limited to unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of other parties to perform as agreed; social or labour unrest; changes in commodity prices; unexpected failure or inadequacy of infrastructure and the failure of ongoing and contemplated studies to deliver anticipated results or results that would justify and support continued studies, development or operations; and the availability of adequate financial resources. Readers are cautioned not to place undue reliance on forward-looking information or statements.*

*Although the forward-looking statements contained in this news release are based on what management believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with them. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.*

*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.*