



NORTHERN
GRAPHITE
CORPORATION

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

Northern Graphite Announces Secured Debt and Royalty Financing and Amendments to Senior Secured Credit Facility and Royalty Agreement

November 29, 2023: Northern Graphite Corporation (**NGC:TSX-V, NGPHF:OTCQB, FRA:0NG, XSTU:0NG**) (the “**Company**” or “**Northern**”) is pleased to announce it has completed a financing consisting of US\$1 million in secured debt and US\$2 million in royalty financing provided by funds managed by Sprott Resource Streaming and Royalty Corp. (collectively, “**Sprott**”).

The financing was completed through amendments to the Company’s senior secured credit agreement and royalty agreement entered into with Sprott in April 2022 in connection with the financing for the Company’s acquisitions of the Lac des Iles graphite mine (“**LDI**”) in Quebec and the Okanjande graphite mine in Namibia.

Under the amendments to the senior secured credit agreement (the “**Amended Credit Agreement**”), the Company has obtained a senior secured loan from Sprott in the amount of US\$1 million, in addition to the US\$12 million senior secured loan previously made by Sprott to the Company in April 2022. In addition, the Company has exercised options under the agreement to capitalize the cash interest payments due on the loan up until December 31, 2023 and add it to the principal amount of the loan, which will result in the principal amount of the loan being approximately US\$14.6 million after giving effect to the capitalization of the interest. The Company has paid an interest payment option fee to Sprott in the amount of US\$50,000 for the capitalization of interest up to June 30, 2023 and will pay Sprott an additional interest payment option fee for the capitalization of the interest up to December 31, 2023 in an amount equal to 10 percent of the accrued and unpaid interest due on such date for the period between June 30, 2023 and December 31, 2023. The principal amount of the loan bears interest at nine percent plus the greater of an adjusted three-month term SOFR and 1 percent and matures on April 29, 2026.

Under the amendments to the royalty agreement (the “**Amended Royalty Agreement**”), the Company has sold an additional royalty on gross sales revenue (“**GRR**”) from LDI to Sprott for US\$2 million, in addition to the nine percent GRR from LDI previously sold to Sprott for US\$4 million in April 2022. The additional GRR is for four percent of graphite concentrate sales revenue from LDI up until it has been paid on sales of 45,000 tonnes of graphite concentrate, after which it will be reduced to 0.25 percent for the remaining life-of-mine at LDI.

The proceeds from the financing will be used for working capital of the Company’s Canadian operations including mining and processing operations at LDI. “We are very pleased to complete this additional financing and improve our cash position,” commented Hugues Jacquemin, Chief Executive Officer. “The financing, together with the sales ramp up that we saw in the third quarter, will put Northern in a comfortable position to safely finance the restart of our Lac-des-Iles operation and prepare to ramp up production for the months to come. We would like to thank Sprott for their continuous support in our development.”

About Northern Graphite

Northern, the only graphite producing company in North America, 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 expects to become the third-largest natural graphite producer outside of China when its Namibian operations come back online. The Company also has the large-scale Bissett Creek project in Ontario, substantial additional measured and indicated resources in Namibia and the Mousseau property in Quebec which are expected to be sources of continued production growth in the future. All projects have “battery quality” graphite and are located close to infrastructure in politically stable jurisdictions.

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Qualified Person

Gregory Bowes, B.Sc. MBA P.Geo, the Chairman of Northern, is a “qualified person” as defined under NI 43-101 and has reviewed and approved the content of this news release.

For additional information

Please visit the Company’s website at www.northerngraphite.com/investors/presentation the Company’s profile on www.sedarplus.ca 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 news release include statements regarding, among others, plans for increasing production at LDI, bringing the Company’s Namibian operations back online, advancing other 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 inability to raise the required financing. 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 news release.