



NORTHERN
GRAPHITE
CORPORATION

TSXV NGC
OTC NGPHF
FRA ONG
XSTU ONG
northerngraphite.com

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Northern Graphite Financing Update

March 2, 2022: Northern Graphite Corporation (**NGC:TSXV, NGPHF:OTC Pink, FRA:ONG, XSTU:ONG**) (the “**Company**” or “**Northern**”) announces that it has received a 30 day extension from the TSX Venture Exchange (the “TSXV”) to close the final tranche of its private placement (the “Private Placement”) being conducted in connection with the Company’s previously announced acquisition of the producing Lac des Iles graphite mine in Quebec and the Okanjande graphite deposit/Okorusu processing plant in Namibia from subsidiaries of Imerys Group (“Imerys”) for approximately US\$40 million (the “Transaction”). The final date for acceptance by the TSXV of the Private Placement has been extended to April 4, 2022 in order for the Company to finalize documentation associated with the debenture, royalty and streaming financings with the Sprott Group. It is anticipated that the Transaction, the final tranche of the Private Placement and the debenture/royalty/stream financings will close in mid-March, 2022.

As previously announced, the Company completed an initial closing of the Private Placement on February 10, 2022, in which it issued a total of 25,762,500 subscription receipts (the “Subscription Receipts”) at a price of \$0.75 each for gross proceeds of approximately \$19.3 million, through a syndicate of agents led by Sprott Capital Partners LP and including Cormark Securities Inc., Canaccord Genuity Corp. and Tamesis Partners LLP.

Affiliates of the Sprott Group have indicated their intention to purchase the remaining 5,000,000 Subscription Receipts not issued in the initial closing for additional gross proceeds of \$3.75 million in a follow-on closing of the Private Placement pending agreement on final documentation for the debenture, royalty and streaming financings. The net proceeds from the Private Placement will be used by the Company to partially fund the purchase price for the Transaction. In addition, US\$3 million of the purchase price for the Transaction will be satisfied by issuing Units (as defined below) to Imerys on the same terms and conditions as those issuable on exercise of the Subscription Receipts.

Each Subscription Receipt shall be deemed to be automatically exercised, without payment of any additional consideration and without further action on the part of the holder thereof, into one unit of Northern (a “Unit”) upon satisfaction of certain escrow release conditions related to the completion of the Transaction. Each Unit shall be comprised of one common share of Northern, and one-half of one share purchase warrant of Northern. Each whole warrant shall be exercisable to acquire one common share of the Company at a price of \$1.10 per share for a period of 24 months from the date the escrow release conditions are satisfied.

The Private Placement remains subject to the final approval of the TSXV.

This press release does not constitute an offer to sell or solicitation of an offer to sell any of the securities in the United States. The securities being offered under the Private Placement have not been, and will not be registered, under the United States Securities Act of 1933, as amended (the “1933 Act”), or any state securities laws of any state in the United

States and accordingly may not be offered or sold within the United States or to any person in the United States or to U.S. persons unless registered under the 1933 Act and any applicable state securities laws, or exemption from such registration requirements is available.

About Northern Graphite

Northern Graphite is a Canadian company, listed on the TSX Venture Exchange and focussed on becoming a world leading producer of natural graphite and upgraded, high value products critical to the green energy revolution including anode material for lithium-ion batteries/EVs, fuel cells and graphene, as well as advanced industrial technologies.

Completion of the Transaction will enable Northern to become the only North American and the world's third largest graphite producing company outside of China. Northern will also own two large scale development projects that have high quality flake graphite and are located close to infrastructure in politically stable jurisdictions. These projects will enable the Company to significantly expand production to meet rapidly growing demand from the EV/battery markets.

For additional information

Please visit the Company's website at <http://www.northerngraphite.com/investors/presentation/>, the Company's profile on www.sedar.com, contact Gregory Bowes, CEO (613) 241-9959 or visit our **Social Channels**.



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 intention to complete an additional closing of the Private Placement and the timing thereof; the use of proceeds from the Private Placement; the Company's intention to complete the Transaction and the debenture/royalty/steam financings and the timing thereof; the Company's market position post-Transaction and the future demand for graphite. 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. 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.