CEYLON GRAPHITE

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CEYLON GRAPHITE ESTABLISHES WORLD CLASS ENVIRONMENTAL, SUSTAINABILITY AND GOVERNANCE (ESG) STANDARDS FOR THE PRODUCTION OF CLEAN GRAPHITE

February 9, 2021 - Vancouver, BC - Ceylon Graphite Corp. ("Ceylon Graphite", or "CYL" or the "Company") (TSX-V: CYL) (OTC: CYLYF) (FSE: CCY) announced today it has developed and published best in class Environmental, Sustainability and Governance Standards ("ESG") with intent to be a global leader in ESG for all innovative graphite companies globally and a leading producer of Clean Graphite.

The many natural advantages Ceylon Graphite enjoys, combined with a clear commitment to establish new standards in the industry aim to make the company a market leader in protecting the planet, and an attractive target for socially responsible investment (SRI). Among the highlights are:

- No open pit mining
  - Open pit mining, regardless of how it is managed is damaging to the planet. Ceylon Graphite has committed to no open pit mining, and by virtue of its high-quality, low-cost vein graphite resources, there is no need.
- No primary upgrading required
  - CYL's graphite is naturally >90% purity (Cg), hence there is no requirement for an additional expensive, industrial process for primary upgrading common in markets such as North America with much lower grade natural graphite
- True, certified renewable energy to be used in all operations
  - Sri Lanka offers many natural advantages such as efficient solar, wind or mini hydro (run of river hydro). Ceylon Graphite will support these technologies through both investment in renewable energy credits and direct use of these technologies as they are available to us
- No environmentally harmful materials used in any future upgrading
  - Many forms of final upgrading to get graphite to battery-grade material require chemical processing which leaves toxic waste. Ceylon Graphite will only use environmentally friendly processes to achieve its 99.95%+ purity necessary for some markets. No acid leaching.

"The leadership team at Ceylon Graphite has made a clear commitment to set the highest standards for ESG in our operations at all levels and to be accountable to our investors to meet those standards," said Bharat Parashar, Chief Executive Officer and Board Chair. "Our team has a history in environmental and sustainability leadership and our Board has been clear in its commitment."

CYL founder and strategic advisor Sasha Jacob is the current Board Chair of Nature United (Canadian arm of The Nature Conservancy, the world's largest conservation organization). He was previously also on the Board of Plan International Canada (one of the world's largest development and humanitarian organizations), as well as Vice Chair of the Board of World Wildlife Fund (WWF). Sasha has participated in financings of over $7Bn for renewable energy and Ceylon Graphite Board members have history in development and promotion of low-carbon technologies and environmentally sustainable processing.

“We believe that the supporters and developers of clean energy technologies along with their customers will expect thorough mine to manufacturer traceability and will demand the most environmentally friendly products,” added Parashar. “This includes both the direct environmental impact of mining and processing methods as well as the total carbon footprint from mine to battery manufacturer. We aim to provide customers as well as investors with the comfort of working with a global leader in this regard.”

Ceylon Graphite has begun to explore several forms of accreditation that will ensure that our graphite is recognized for its unique environmental advantages and for the company’s commitment to help Sri Lanka work toward the United Nations’ 17 Sustainable Development Goals (SDGs).

Our team’s history of socially responsible investment is extensive as is our history of support for the communities in which we operate. In addition to training and employment, we will invest in social support within the communities.

Ceylon Graphite is committed to continually invest, measure impact and improve.

Upcoming Virtual Conferences

Ceylon Graphite will be presenting at the following virtual investor conference in the next month and welcomes anyone interested to reach out for meeting requests and/or presentation details.

6iX – Webinar – Battery Metals Summit
February 9th, 2021
https://my.6ix.com/5W8RoTDB

Mines and Money – 5@5 – Battery Metal Opportunities
February 11, 2021
https://minesandmoney.com/5-at-5/next-emea-event/

Mines and Money Online Global Conference
March 23-25, 2021
https://minesandmoney.com/online/march/

The Company also announces that it has signed a contract with Edge Growth Holding Corp (“Edge”) to provide strategic digital media services, marketing, and data analytics services (the “Services”). The Company has agreed to pay Edge $30,000 in consideration for the Services to be provided for a 6-month term. Edge will also receive options within the existing stock option plan of the Company of 100,000 options at $0.51 for a 6 month- period.

Qualified Person

Donald K.D. Baxter, P. Eng is a Qualified Person under National Instrument 43-101 and has reviewed and approved the geological information provided in this news release.

About Ceylon Graphite Corp.

Ceylon Graphite is a public company listed on the TSX Venture Exchange, that is in the business of mining for graphite, and developing and commercializing innovative graphene and graphite applications and products. Graphite mined in Sri Lanka is known to be some of the purest in the world and has been confirmed to be suitable to be easily upgradable for a range of applications including the high-growth electric vehicle and battery storage markets as well as construction, healthcare and paints and coatings sectors. The Government of Sri Lanka has granted the Company's wholly owned subsidiary Sarcon Development (Pvt) Ltd. an IML Category A license for its K1 site and exploration rights in a land package of over 120km². These exploration grids (each one square kilometer in area) cover areas of historic graphite production from the early twentieth century and represent a majority of the known graphite occurrences in Sri Lanka.

Further information regarding the Company is available at www.ceylongraphite.com

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FORWARD LOOKING STATEMENTS:

This news release contains forward-looking information as such term is defined in applicable securities laws, which relate to future events or future performance and reflect management's current expectations and assumptions. The forward-looking information includes statements about Ceylon Graphite's grids, Ceylon Graphite's plans to undertake additional drilling and to develop a mine plan, and to commence establishing mining operations. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to Ceylon Graphite, including the assumption that, there will be no material adverse change in metal prices, all necessary consents, licenses, permits and approvals will be obtained, including various Local Government Licenses and the market. Investors are cautioned that these forward-looking statements are neither promises nor guarantees and are subject to risks and uncertainties that may cause future results to differ materially from those expected. Risk factors that could cause actual results to differ materially from the results expressed or implied by the forward-looking information include, among other things, an inability to reach a final acquisition agreement, inaccurate results from the drilling exercises, a failure to obtain or delays in obtaining the required regulatory licenses, permits, approvals and consents, an inability to access financing as needed, a general economic downturn, a volatile stock price, labour strikes, political unrest, changes in the mining regulatory regime governing Ceylon Graphite, a failure to comply with environmental regulations and a weakening of market and industry reliance on high quality graphite. Ceylon Graphite cautions the reader that the above list of risk factors is not exhaustive.

These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, Ceylon Graphite does not assume any obligation to update or revise them to reflect new events or circumstances. All of the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at www.sedar.com)