

AUGUSTA INDUSTRIES INC.

FOR IMMEDIATE RELEASE

AUGUSTA ANNOUNCES EXECUTION OF NON-DISCLOSURE WITH MITSUBISHI AND CLOSES NON-BROKERED PRIVATE PLACEMENT

July 16, 2015

TSX Venture Exchange: AAO

Toronto, Ontario - Augusta Industries Inc. (the "Corporation"), a developer and marketer of patented non-intrusive sensing systems, is pleased to announce that its wholly-owned subsidiary Fox-Tek Canada Inc. ("Fox-Tek") has entered into a non-disclosure agreement ("NDA") with Mitsubishi Heavy Industries America Inc. ("MHIA") an affiliate company of Mitsubishi Heavy Industries Ltd based in Japan, supporting business activity in US. Further to the signing of the NDA, a team from MHIA (G-R&D Boston and Houston Office) is scheduled to visit Fox-Tek's offices on July 28, 2015. These meeting will be a start to better understand how Fox-Tek and MHIA can work together to support MHIA. In particular, MHIA is interested in Fox-Tek's non-intrusive strain monitoring technologies to detect pipeline bending/buckling and to further service these pipelines.

Allen Lone, the Corporation's President and CEO commented, "The agreement with MHIA clearly shows that the Corporation's visibility is continuing to increase throughout the world and that its endeavours to forge partnerships with other companies, that have a real need for the Corporation's advanced technologies and services, continues to be fruitful."

The Corporation would also like to announce that it has completed its previously announced non-brokered private placement.

The Corporation issued an aggregate of 20,200,000 units (the "Units") of the Company at a price of \$0.05 per Unit for gross proceeds of \$1,010,000. Each Unit consisted of one (1) common share and one (1) common share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one common share at a price of \$0.07 at any time till July 14, 2018.

The securities issued pursuant to the private placement are subject to resale restrictions expiring November 15, 2015. The Corporation intends to use the proceeds for general working capital.

About the Corporation

Through its wholly owned subsidiaries, Marcon International Inc. ("Marcon") and Fox Tek, the Corporation provides a variety of services and products to a number of clients.

Marcon is an industrial supply contractor servicing the energy sector and a number of US Government entities. Marcon's principal business is the sale and distribution of industrial parts and equipment (Electrical, mechanical and Instrumentation.) In addition to departments and agencies of the U.S. Government, Marcon's major clients include Saudi Arabia-Sabic Services (Refining and Petrochemical), Bahrain National Gas Co, Bahrain Petroleum, Qatar Petroleum, Qatar Gas, Qatar Petrochemical, Gulf of Suez Petroleum, Agiba Petroleum and Burullus Gas Co.

Fox Tek develops non-intrusive asset health monitoring sensor systems for the oil and gas market to help operators track the thinning of pipelines and refinery vessels due to corrosion/erosion, strain due to bending/buckling and process pressure and temperature. The Corporation's FT fiber optic sensor and corrosion

monitoring systems allow cost-effective, 24/7 remote monitoring capabilities to improve scheduled maintenance operations, avoid unnecessary shutdowns, and prevent accidents and leaks.

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The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

This press release contains forward-looking statements based on assumptions, uncertainties and management's best estimates of future events. Actual results may differ materially from those currently anticipated. Investors are cautioned that such forward-looking statements involve risks and uncertainties. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements are detailed from time to time in the Corporation's periodic reports filed with the Ontario Securities Commission and other regulatory authorities. The Corporation has no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.