AUGUSTA INDUSTRIES INC.

FOR IMMEDIATE RELEASE

AUGUSTA ANNOUNCES PRIVATE PLACEMENT

December 8, 2015 TSX Venture Exchange: AAO

Toronto, Ontario - Augusta Industries Inc. (the “Corporation”) is pleased to announce that it intends to raise gross proceeds of up to $1 million through a non-brokered private placement of up to 20 million units (the “Units”) of the Corporation at a price of $0.05 per Unit. Each Unit will consist of one (1) common share and one half (½) a common share purchase warrant (“Warrant”). Each whole Warrant will entitle the holder to purchase one (1) common share for a period of three (3) years from date of issuance. Each whole warrant is exercisable at an exercise price of $0.10 per Warrant for the first 12 months and then is exercisable at an exercise price of $0.15 per Warrant for the remaining two (2) years.

The non-brokered private placement is subject to all necessary regulatory approvals. The securities being issued in the private placement will be subject to a four-month hold period in accordance with applicable Canadian securities laws. The Corporation intends to use the net proceeds for general working capital.

About the Corporation:

Through its wholly owned subsidiaries, Marcon International Inc. (“Marcon”) and Fox-Tek Canada Inc. (“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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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.*