Graphite One Produces Exemplary Spherical Graphite Samples from Purified STAX Graphite

May 5, 2016 – Vancouver, British Columbia – Graphite One Resources Inc. (GPH: TSX-V; OTCQX:GPHOF) ("Graphite One" or the "Company") announced today the successful production of premium grade spheroidized graphite (SPG) from 99.98% Cg purified graphite, with yields in the first-run trial averaging 74.6%. Independent, Toronto-based, industry consultants TRU Group Inc. first identified the characteristics of the Company's STAX graphite – the acronym used to describe **S**pheroidal, **T**hin, **A**ggregate and e**X**panded naturally occurring morphologies in the graphite sourced from the Company's Graphite Creek deposit near Nome, Alaska.

TRU is directing the Company's testwork programs. The current testwork provides strong confirmatory evidence of the properties of STAX Graphite in SPG product format.

- ***Exploratory Product Development Test Work Supports Unmilled, Uncoated Material in the Premium SPG Range***
- ***SPG Yield in the Test Work is Averaging More Than 74%***
- ***Results Suggest Processing of Graphite Creek STAX Graphite is Potentially Much Less Energy-Intensive Than Conventional Flake Graphite***
- ***Physical Properties of Unmilled Graphite One SPG with Respect to Size, Size Range, Morphology, and Various Density Measurements Conform to EV Battery Requirements***
- ***Results of Phases 1-5 Will be Integrated into PEA, On Track for End of June***

"The fact that our unmilled material processes into premium SPG with a high yield is excellent news," said Anthony Huston, CEO of Graphite One. "We are very pleased with the yields of 74.6% from our first-run trials given that typical yields of spherical graphite are 30% to 40%, depending on the quality of the graphite, the type of equipment used, and the analyst's experience in adjusting processing parameters."

TRU Group's test work findings point to potentially much less energy-intensive processing of Graphite Creek graphite into SPG compared to conventional flake graphite. Huston noted: "The unmilled material is clearly spheroidal, with particle size distribution that conforms to the requirements for EV batteries. Given the potential energy efficiencies we are seeing in our process, at a time when EV battery users see lower cost as the key to broader acceptance of electric and hybrid vehicles."

Pending results from the Phase 5 coin cell tests will provide preliminary electrochemical performance metrics of the Graphite One SPG.

Previously, the Company produced a rough concentrate from surface ore samples that was successfully purified to at least 99.98%+ C which became the feed material for Phase 4 work. Phase 4 involved:

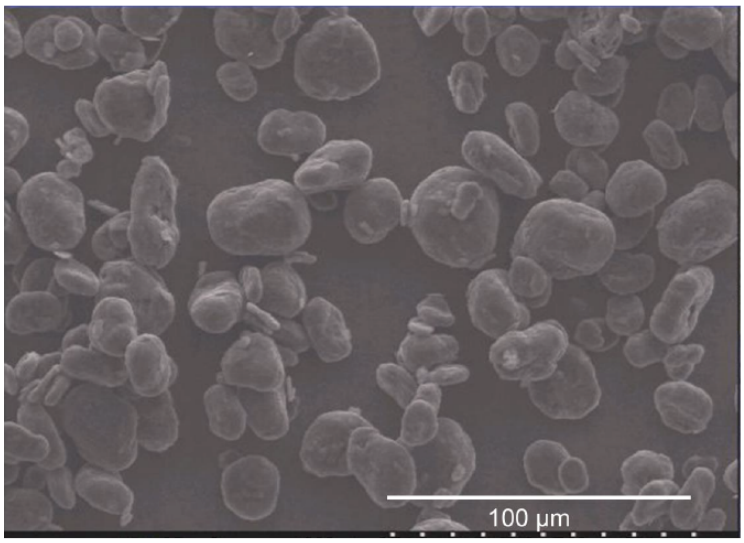
- Processing purified STAX material into two batches -- one that involved air milling and spheroidizing, and one that was directly fed unmilled into the spheroidizing mill.
- Analyzing the SPG samples for various characteristics (including Tap Density, True Density, Scott Volume, BET surface area, and Mass Per Size-Class).
- Observing that the physical properties of the unmilled SPG sample showed superior quality, with very high Tap Density (1.17 g/cc), Scott Volume (0.76 g/cc), and True Density (2.24 g/cc) for the uncoated product, while the coated BET surface area was also very low at 1 m2/g.
- Establishing that the yield from the size cuts exhibiting physical properties which conform with the product specifications of SPG for EV applications being potentially very high at 74.6%.

These first-run non-optimized trials will provide baseline parameters that will be applied in second round product development testwork planned for the Preliminary Economic Assessment (PEA) which will corroborate processing and performance metrics and also confirm reproducibility of the current results.

Table 1: Characterization Data for unmilled SPG

Parameter	Value	
Tap Density	1.17	g/cc
Scott Volume	0.76	g/cc
True Density	2.24	g/cc
BET **BET (coated)**	11.9 1.0	m2/g m2/g
Particle Size		
D10	15.94	µm
D50	23.95	µm
D90	31.83	µm
Mean	23.94	µm

Figure 1: Unmilled (uncoated) SPG at 500x magnification



Such coincident high values in Tap Density in conjunction with high Scott volume are rarely observed in other spherical graphites. Graphite One uncoated SPG Tap Density is on par or higher than its synthetic analogues while the Graphite One uncoated SPG Scott Volume compares to a high quality coated product.

5 Phases of Exploratory Product Development

The Company's Graphite Creek Product Development Program is segmented into 5 phases, focused on generating preliminary materials performance data related to graphite concentrate purification, milling, spheroidizing, and coating, as well as establishing the electrochemistry of the coated spherical graphite finished product. These findings are providing baseline parameters to lead the Company's next stage product development testwork that will be incorporated into the Company's PEA. Sample material is being produced with the goal of providing for potential end-user evaluation. Spherical graphite is used mainly in lithium-ion batteries, the main demand-driver being electric and hybrid vehicles.

Phase 5, currently in progress, focuses on manufacturing coin cells, generating electrochemical performance data for the coin cells (coated spherical graphite), and demonstrating the potential reversible capacity of the coated spherical graphite product in relation to the theoretical maximum for graphite, for a preliminary assessment of the spherical graphite quality and performance benchmark as anode material.

The sample material utilized in this test work was obtained in the Company's 2012 surface bulk sampling program (see PR September 6, 2012 for description and location map). The sample originated from the historic mine adits, trenches and outcrops of Zones 1 and 2 of the Graphite Creek graphite deposit, within the area of the Indicated Mineral Resource. Sample Bulk04 was collected from the workings east of Graphite Creek and totaled almost 785 kg.

Mineral Processing and Second Stage Product Development

In parallel to the Company's product development work, mineral processing testwork under TRU Group's direction is currently underway to examine the production of high purity concentrate by the most efficient and least energy-intensive means for graphite liberation and concentration. This testwork is slated to be completed in June 2016 and will provide additional quantities of graphite concentrate that will be used in follow-up spheroidization and electrochemical performance trials with coated and uncoated SPG.

These optimized processing and product development test results will form the basis for the Graphite Creek PEA.

About Graphite One

GRAPHITE ONE RESOURCES INC. (GPH: TSX-V; GPHOF: OTCQX) is exploring with the intent to develop the Graphite Creek Project, USA's largest known large flake graphite deposit situated on the Seward Peninsula of Alaska about 60 kilometers north of Nome. The Graphite Creek Project is progressing from the exploration to the evaluation phase. Work to date has identified a large, high grade and at-surface resource with simple geology and good mineralization continuity. For more information please see www.graphiteoneresources.com.

Mr. David Hembree, C.P. Geol., General Manager Operations for Graphite One and a Qualified Person under NI 43-101, is responsible for and has reviewed and approved the technical content of this press release.

ON BEHALF OF THE BOARD OF DIRECTORS

"Anthony Huston" (*signed*)

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This release includes certain statements that may be deemed to be forward-looking statements. All statements in this release, other than statements of historical facts, are forward-looking statements. Forward-looking information in this release includes, but is not limited to, statements regarding the actual ability to produce spherical graphite, ultimate results of the test-work, the anticipated progress of both

the TRU Group and Graphite One during 2016, the timing and successful completion of the PEA, the actual results from the Phase 5 coin cell tests, the industry projections regarding electric vehicles and smart grid power storage devices, the results of the TRU Group's study being accurate regarding the characteristics of the Graphite Creek mineralization, exploration drilling, exploitation activities and events or developments that the Company expects, the sustainability and ultimate environmental effects of spherical graphite, are all forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include the results of the product development test work may not be indicative of the advancement of the project as anticipated, or at all, market prices, exploitation and exploration successes, continuity of mineralization, uncertainties related to the ability to obtain necessary permits, licenses and title and delays due to third party opposition, changes in government policies regarding mining and natural resource exploration and exploitation, and continued availability of capital and financing, and general economic, market or business conditions. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date it is expressed in this press release, and the Company undertakes no obligation to update publicly or revise any forward-looking information, except as required by applicable securities laws. For more information on the Company, investors should review the Company's continuous disclosure filings that are available at www.sedar.com.