zenyatta

Albany Graphite | Naturally Pure®

Zenyatta Board of Directors Letter to Shareholders

5 April 2018

On behalf of management and the Board of Directors, I want to thank you for your loyal and passionate support as a shareholder. Zenyatta is looking forward to communicating our updated strategic plan and the reporting material advancements of our key objectives during 2018.

Zenyatta's Albany graphite deposit is a 'one of a kind' discovery with an incredible opportunity.

At Zenyatta we believe that we have a significant competitive advantage with 100% ownership of a rare and high-quality supply of a carbon source material, from the Albany deposit, in Canada. Extraordinary value can be assigned to business opportunities that are unique and that, under the right circumstances, can create extraordinary profits.

Recently, the Company made a strategic decision to focus on the remarkable nanomaterial called graphene, which has been shown to easily convert from our high purity, crystalline carbon material. Graphene, a material that is 1 layer of carbon (C) atoms thick, is emerging as the most promising new material in modern times for enhancing applications in various industries due to its unique combination of mechanical, electrical and thermal properties. Zenyatta believes it has identified significant additional value for the Albany carbon material through extensive collaboration with both research and commercial partners. Independent testing shows that it is a consistent and high-quality nanomaterial, with excellent dispersion properties and therefore is highly suitable for enhancing present day composite materials like rubber and concrete, as confirmed by the University of Sussex and Ben-Gurion University respectively.

In business, unique is not only an opportunity but often leads to additional challenges, especially for an industrial mineral. With no historical knowledge or direct experience to draw from, it requires extensive and repeated testing to prove that the nanomaterial works in various applications. During 2016-17 market development process the Albany carbon material continued to demonstrate that it was highly suitable for many different applications.

We are very fortunate that Aubrey Eveleigh and the Zenyatta discovery team were tenacious and successfully identified at an early stage that the Albany carbon form was not only extremely rare, but had great potential for commercial value. This created the fundamental opportunity for Zenyatta and defines our mission today – to be a leading global supplier of high purity carbon and graphene.

The PEA in 2015 identified the potential value of the Albany high purity carbon. Since then, the company has invested in a continued effort in developing and testing the metallurgical flow sheet and market/business development. The results of this work to date indicate that the Albany graphite can be processed and purified for a number of potential market specifications - each with potentially different processes, cost and pricing yet to be fully defined.

Determining our final markets, especially related to graphene has been changing based on feedback from our various collaborators in 2017. We now believe that our Albany graphite is the best carbon pre-cursor material in the world to create graphene from. The commercial future of graphene is in its infancy but the potential wealth created by being one of the world's leading suppliers of this extraordinary material is extremely attractive. We are currently developing a plan to manage the complexity of the target markets by keeping the high purity carbon and graphene on separate development tracks, until it lowers our risks to join them.

To this end Zenyatta will complete our PFS on the production and sale of high purity carbon from the Albany resource. Separate from this we will begin the scoping work to prove our ability to produce low cost, commercial quantities of high quality graphene. We will work both materials to develop market channels, strategic partners, commercial agreements, collaborative research and IP.

In summary our strategy is to focus the advancement of the Albany resource based on the more mature high purity carbon market (lower risk) but embed the optionality of the future graphene market into our business (higher potential returns). Ideally manage the risk of being unique but capturing all of the upside of that same uniqueness.

Today Zenyatta is a pre-revenue, single asset, publicly traded junior development company. We need access to good capital, from key strategic partners, for the next several years. This process is already underway. We are committed to managing the company, through the adaption of best practices, in a manner that will attract and sustain long-term strategic investment. True strategic partners can reduce the risks of our unique materials by providing long term capital under fair terms, market insights and technical specifications and critical off-take agreements. A good strategic financing will create value. Strategic financings at this level can take several months to complete. It is our hope that our next financing will effectively be a bridge for 2018, allowing us to advance our critical business plan objectives, attract additional management talent and so position Zenyatta to complete a strategic financing in early 2019.

On behalf of the Board of Directors, Thank you.

Sincerely,
Keith Morrison, Chairman
Zenyatta Ventures Ltd.

Cautionary Note:

The technical information in this shareholder meeting documentation has been reviewed and approved by Mr. Peter Wood, P.Geo., VP Exploration of Zenyatta, and a "Qualified Person" under National Instrument 43-101. Securities regulators including the TSX Venture Exchange have not reviewed the information disclosed in the documentation and no securities regulator accepts responsibility for the adequacy or accuracy of this documentation. This documentation contains forward looking information and Zenyatta cautions readers that forward looking information is based on certain assumptions and risk factors that could cause actual results to differ materially from the expectations of Zenyatta. Readers should not place undue reliance on forward looking information. Zenyatta's operations are in the development stage only and there is no actual mineral production. Without a formal independent feasibility study, there is no assurance that mineral production is feasible on an economic basis. Please refer to those risks set out in Zenyatta's public documents filed on www.SEDAR.com