



Genius Properties Ltd.

CSE: GNI

GENIUS TO ACQUIRE THE MT. CAMERON GRAPHITE DEPOSIT

Genius Properties Ltd. (CSE: GNI) (“**Genius**” or the “**Corporation**”) is pleased to announce that it has entered into an assignment agreement dated October 17, 2016 (the “**Agreement**”) to acquire from Mt. Cameron Minerals Inc. (“**Mt. Cameron**”) up to a 100% interest in the Mt Cameron Graphite Deposit (the “**Property**”) located in the Boisdale Hills region of Cape Breton, Nova Scotia, marking a strategic entry into the large flake graphite market. Reports have indicated that this deposit has the potential of becoming one of the largest graphite mines in the world producing ultra high purity flake graphite.

Property Highlights

The Property is conveniently located 25 kilometers west of Sydney, Nova Scotia and is comprised of 7 licenses (82 claims over 13.3 km²). In regards to infrastructure, the property is easily accessible by paved roads and is in close proximity of an electric utility. With the potential construction of NOVAPORT, a deep-water mega-terminal in Sydney, trans-Atlantic shipping would be readily available, Moreover, having an extensive history in steel manufacturing and coal mining, Sydney has a highly skilled workforce to offer.

The mineralization on the Property is flake graphite in marble of the George River formation and has been identified along a strike length of approximately 12 km with zones up to 1.5 km wide and interpreted to be up to 300 m deep. Mt Cameron has carried out prospecting, drilling and geophysics on the Property; all of which indicate an extensive mineralized zone. Preliminary mineral processing studies have been carried out by Dr. Ian Flint, former Director of the Minerals Engineering Center at Dalhousie University in Halifax.

Historical work by Mt. Cameron

2004 - As part of a regional reconnaissance exploration program, Mt. Cameron mapped extensive beds and ridges of graphitic marble and schist in Pre Cambrian – Grenville Age rocks on the eastern flank of the Boisdale Hills, some 25 km west of Sydney, Nova Scotia. Preliminary metallurgical work on samples taken during the mapping of these units determined that the graphite in these rocks is of the rare flake form. Average grade of the marble hosted surface samples was greater than 4% graphite.

2007 - The Province, through the Office of Economic Development and DNR, commissioned a graphite market study to determine market trends and supply / demand worldwide. The study determined that the Property had good potential to be one of the

largest graphite mines in the world. Indications are that this deposit is substantial and has the potential to be mined at annual rates resulting in annual production as high 200,000 tonnes of ultra high purity flake graphite and still maintain a 20 year, or longer, mine life.

2008 - In August 2008, Mt. Cameron initiated an exploration and metallurgical testing program budgeted at \$4 million. Initial results from deep penetrating geophysics, drilling, assaying, bulk sampling, and pilot plant testing at the Mineral Engineering Centre at Dalhousie University met or exceeded expectations.

2009 - Further metallurgical work determined that the flake graphite could be readily separated from the marble by flotation with expected commercial production after refining of above 99% graphite. Bench scale metallurgical testing has already achieved a grade of 99.3% from a large bulk sample taken in 2008. Assays of historic drill core averaged greater than 6% graphite over a zone of ~20 m. Extensive beds of higher- grade (4 to 6%) flake graphite occur in outcrop over the 12 km strike.

2010 - In the late Fall, a 1,300 m diamond drilling program identified an area west of Campbell Lake where 10 holes intersected up to 40 m of high grade graphitic marble extending about 400 m along strike. This area shows considerable promise for the development of a substantial mining operation.

“The Mt. Cameron Graphite deposit could be one of the largest in the world,” says John Wightman, M.Sc., FGAC, P.Eng, President of Mt. Cameron Minerals Inc.

Mr. Wightman’s optimism about the potential value of the graphite deposit has received support in a report to Mt. Cameron regarding a bulk sample assessed by Separation Technology LLC of Needham, Mass.

“The report is another indication of a potential large deposit of battery-grade graphite throughout the site. The attributes of graphite marble allow for low-cost clean separation technology, with little or no damage to the high-quality graphite when separated from the surrounding material”, specified Mr. Wightman.

The numbers in this latest bulk assessment align with those from previous tests at Dalhousie University by Dr. Ian M. Flint, a senior consulting metallurgist.

Jimmy Gravel, the President and CEO of the Corporation further stated: “The opportunity to acquire the Mt. Cameron Graphite deposit was a game changer that we could not pass up. What we announce today is directly in line with our goal of bringing an anchor asset, which could develop into a world class quality project, to accelerate Genius development while limiting shareholder dilution.”

Terms of the Agreement:

Under the terms of the Agreement, Genius acquired the exclusive assignable right and conditional option (the “**Option**”) to acquire either 80% or 100% of the Property.

In order to exercise the Option and acquire a participating interest (the “**Initial Interest**”)

for 80% of the Property, Genius must (i) incur \$1,000,000 work expenditures within a two year period, (ii) issue 3,000,000 common shares on or before December 1, 2016, and (iii) make aggregate cash payments of \$175,000, as follows:

- \$25,000 upon entering into this Agreement which has been paid; and
- \$50,000 on or before December 1, 2016; and
- \$100,000 on or before December 14, 2016; and
- a 3% net smelter return royalty (the “**Royalty**”) on the Property , which the Corporation shall have the right to purchase 2.5% of the Royalty for sum of \$2,000,000.

Following the exercise of the Initial Option, the Corporation can acquire an additional 20% interest in the Property, directly or indirectly through the acquisition of Mt. Cameron, (the “**Additional Option**”) in exchange for a cash payment of \$600,000 on or before December 31, 2016 or \$700,000 thereafter. The Additional Option is exercisable on or before October 14, 2018.

Corporate Update

The Corporation announces that Mr. Neil Novak has resigned as a member of the Board of Directors. The Corporation would like to thank Mr. Novak for his contribution.

Qualified persons

John Wightman, M.Sc., FGAC, P.Eng, President and a shareholder of Mt. Cameron, and a Qualified Person under NI 43-101, has reviewed and approved the technical content of this release.

About Genius Properties

Genius is a Canadian mineral exploration company focused on developing projects with some of the world’s most critical metals and minerals for use in various industries including in particular, batteries for storing electrical energy and the raw materials essential for Lithium-ion battery production.

Cautionary Statements Regarding Forward-Looking Information

This news release contains forward-looking information within the meaning of applicable Canadian securities laws. All information other than historical fact is forward-looking information. Forward-looking information relates to future events or future performance and is based on GNI current internal expectations, estimates, projections, assumptions and beliefs. Forward-looking information is often, but not always, identified by the use of words such as “expect”, “project”, “proposed”, “intend”, “seek”, “anticipate”, “budget”, “plan”, “continue”, “estimate”, “forecast”, “may”, “will”, “predict”, “potential”, “targeting”, “could”, “might”, “should”, “believe” and similar expressions. Although management considers the assumptions and estimates, reflected in forward-looking information, to be reasonable, based on information currently available, there can be no assurance that such information will prove to be correct. As a consequence, actual results may differ materially from those anticipated.

Undue reliance should not be placed on forward-looking information which is inherently uncertain, and subject to known and unknown risks and uncertainties (both general and specific) and other factors that contribute to the possibility that the future events or circumstances contemplated by the forward looking information will not occur or that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. These risks include, but are not limited to risks associated with general economic conditions, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future metal prices, financial risks and substantial capital requirements. Further information regarding certain of these risks (as well as risks relating generally to the Company's business) may be found under the headings “Risks and Uncertainties”, “Forward-Looking Information” and “Financial risk factors” in the latest Company's Management's Discussion & Analysis on www.sedar.com. Readers are cautioned that the foregoing list of factors that may affect future results is not exhaustive. The forward-looking statements contained in this news release are made as of the date hereof and GNI does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

Neither the CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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