



Graphite Energy Corp. Enters into Definitive Agreement with World Farms Corp.

June 26 2019 – Graphite Energy Corp. (CSE: GRE; OTC: GRXXF; FWB: G0A) (the "**Company**" or "**GRE**"), is pleased to announce that it has entered into a business combination agreement dated June 25, 2019 (the "**Definitive Agreement**") with World Farms Corp. ("**WFC**"), pursuant to which GRE will acquire all of the issued and outstanding securities of WFC (the "**Transaction**"), as more particularly described below. The Transaction was initially announced in a GRE news release dated May 7, 2019, indicating GRE and WFC had entered into a letter of intent in respect of the Transaction.

The Transaction is subject to a number of terms and conditions as set forth in the Definitive Agreement, including (among other things) the approval of the Canadian Securities Exchange (the "**Exchange**"). If completed, the Transaction will constitute a "Fundamental Change" of GRE, as such term is defined in Exchange policies. GRE's shares will remain halted until the Exchange has reviewed and approved the Transaction.

The Transaction

Pursuant to the Definitive Agreement, GRE will acquire all of the issued and outstanding securities of WFC from WFC's securityholders. Each shareholder of WFC will receive one (1) GRE common share for each common share of WFC held. The share purchase warrants of WFC will also be exchanged for share purchase warrants of GRE. Upon completion of the Transaction, WFC will become a wholly-owned subsidiary of the Company and the Company will change its name to "World Farms Corp.", or such other name as the parties may reasonably agree upon. The combined entity will continue the business of WFC.

The Transaction is conditional upon, among other things:

- (i) the representations and warranties of each of GRE and WFC, as set out in the Definitive Agreement, being true and correct in all material respects at the closing of the Transaction;
- (ii) the absence of any material adverse change in the business of each of the parties;
- (iii) the parties receiving all requisite regulatory approval, including the approval of the Exchange, and any third-party approvals and authorizations;
- (iv) WFC and GRE obtaining the requisite shareholder approvals for the Transaction; and
- (v) the parties obtaining requisite board approvals for the Transaction.

WFC and its Business

WFC Farms is a private company that is building a portfolio of low cost, scalable international cannabis assets in countries where the sale of either CBD or cannabis is legal. WFC's current portfolio includes joint ventures in Italy, Croatia, South Africa and Jamaica. Planting of 172 acres of High CBD Hemp is under way in Italy and Croatia for harvesting and processing to produce high quality CBD isolate for sale into the

European market. The company has also retrofitted an 87,000 square foot greenhouse with light dep curtains and LED lights for micro propagation of plant starters for the region.

See GRE's news release dated May 7, 2019 for further information about the Transaction, WFC and its business. GRE will issue additional news releases related to the Transaction and related financings and other material information as it becomes available. There can be no assurance that the Transaction will be completed as proposed or at all.

ON BEHALF OF THE BOARD OF GRAPHITE ENERGY CORP.

/s/ “Adrian F.C. Hobkirk” Adrian Hobkirk
President and Chief Executive Officer, Director

For further information, please telephone: (714) 316-3272

The Canadian Securities Exchange has not reviewed, nor approved the contents of this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities law and may not be offered or sold in the “United States”, as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

Forward-Looking Statements

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and shareholder approval. There can be no assurance that the Transaction will be completed as proposed or at all.

Trading in the securities of GRE should be considered highly speculative.

All information in this news release concerning WFC has been provided for inclusion herein by WFC. Although GRE has no knowledge that would indicate that any information contained herein concerning WFC is untrue or incomplete, GRE assumes no responsibility for the accuracy or completeness of any such information.

Certain statements in this release are forward-looking statements, which include completion of the proposed Transaction and related financing, regulatory approvals and other matters. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such information can generally be identified by the use of forwarding looking wording such as “may”, “expect”, “estimate”, “anticipate”, “intend”, “believe” and “continue” or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, estimates, forecasts, projections and other forward looking statements will not occur. These assumptions, risks and uncertainties include, among other things, the state of the economy in general and capital markets in particular, and other factors, many of which are beyond the control of GRE. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates, including that: general business and economic conditions will not change in a material adverse manner; and financing will be available if and when needed on reasonable terms. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Factors that could cause actual results to differ materially from those in forward looking statements include, but are not limited to, continued availability of capital and financing and general economic, market or business conditions, the failure of counterparties to perform

their contractual obligations, the loss of key directors, employees or consultants and fees charged by service providers. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, GRE disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, GRE undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.