



COMPANY ADDS TO GOLD PROJECT LAND HOLDINGS IN PILBARA, AUSTRALIA

August 19, 2020. Graphite Energy Corp. (“Graphite Energy” or the “Company”, GRE.X:CSE; GRXXF: OTC Markets) is pleased to announce that it will acquire all of the issued and outstanding shares Swan Gold Ltd., a private British Columbia Company, that holds, through Swan Gold (Australia) Pty Ltd. three significant gold focused tenement applications called “York NE”, “Warrawoona E” and “Beatons SE” in the Pilbara region, Western Australia. The acquisition of these tenement applications compliments and expands the previously announced give Pilbara projects acquired by the Company (see news release dated July 16, 2020).

Beaton’s SE Project

The Beaton’s SE Project is comprised of 101.9 square kilometers and is located near the Company’s Beatons River Project. As a result of this transaction, the Beaton’s River Project (inclusive of Beaton’s SE) will total 436 square kilometers. The Beaton’s River Project is contiguous to Novo’s Beatons Creek Gold Deposit, which hosts a resource of 903,000 oz Au grading 2.53 g/t. See Note 1 below. A largely unexplored, major crustal structure runs northwest-southeast through the Beatons SE Project and will be the focus of the companies exploration efforts within this licence.

NOTE: mineralization on adjacent projects is not indicative of mineralization on the Company’s project.

York NE Project

The York NE Project consists of 102.6 square kilometers of prospective geology, including numerous regional fault’s intersecting Pilbara Craton greenstone and Cleland supersuite rock units. The southern boundary of the concession lies immediately north of the Lalla Rookh historic gold mining area which produced 6532 tonnes of ore for 7602 ounces of gold in the late 1800’s at an average recovered grade of 1.16 oz/t Au (or 36.3 g/t Au). The Lalla Rhook West historic mine is located on a NE trending structure that continues onto the York NE concession.

The property lies approximately 20 km NE of Kaiross Minerals Mt. York Project, which hosts an inferred mineral resource of 873,000 oz Au from 19 million tonnes grading 1.3 g/t.

Significantly, greenstone-hosted gold systems worldwide are often characterized by high-grade lodes, with vertical extent of hundreds of meters. Such systems may have a relatively small surface footprint with robust down-dip exploration potential.

Warrawoona East Project

The Warrawoon East Project consists of 121.6 square kilometres and encompasses multiple regional faults which mark the eastern boundary of the Warrawoona Greenstone Belt. Calidus Resources Warrawoona Project is located 3 km to the east of the concession and is hosted within the greenstone belt. The global mineral resources for the Calidus Warrawoona Project is 1.25 million oz Au from 21.3 Mt at 1.83 g/t. As with the York NE Project – the presence of regional structures juxtaposing greenstone rocks of different competency – provides for robust exploration targets.



Qualified Person

The preparation of this news release and the technical disclosure contained within has been reviewed, verified and approved by Dr Chris Wilson, PhD, FAusIMM (CP), FSEG; a qualified person as defined by NI 43-101. Dr Wilson was formerly the Exploration Manager for Ivanhoe Mines Mongolia. He has reviewed and worked on projects, at all stages from grass roots to feasibility, in almost 80 countries. Chris is a specialist in greenstone-hosted and conglomerate-hosted gold systems.

Terms of Agreement

The Company has agreed to acquire all of the issued and outstanding shares of Swan Gold Ltd. In consideration of Swan Gold Ltd., the Company will issue a total of 7,500,000 common shares to the shareholders of Swan Gold Ltd. (the "Consideration Shares"). The Consideration Shares will be subject to the following restrictions on resale: (i) 30% of the Consideration Shares will be free trading on the date of closing, (ii) 20% of the Consideration Shares will be subject to resale restrictions for four months, (iii) 20% of the Consideration Shares will be subject to resale restrictions for eight months, and (iv) the final 20% of the Consideration Shares will be subject to resale restrictions for twelve months. The Company will pay a finder's fee equal to 750,000 shares in connection with the transaction. The transaction is at arms-length and will not result in the creation of a control position.

Adrian Hobkirk, President and CEO of Graphite Energy Corp remarked: "The acquisition of Swan Gold Ltd. is a strategic expansion opportunity to increase the Company's holdings in the Pilbara Gold District in Western Australia (see news release dated July 16, 2020). We are expanding on our package of highly prospective Western Australian gold assets that deliver significant potential exploration upside. With addition of 3 tenement applications, we hold a stronger position in the Pilbara Gold District close to well-known global peers that have already proven up sizeable mineral resources ".

ON BEHALF OF THE BOARD

**Adrian Hobkirk, President and CEO
Graphite Energy Corp. / Australian Goldfields**

For further information, please telephone: (954) 684-8040

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.



Note 1: Novo Resources Corp – NI 43-101 Technical Report: Mineral Resource Update, Beatons Creek Conglomerate Gold Project, Pilbara Region, Western Australia, 13th May 2019 - <https://www.novoresources.com/resources/presentations/technical-report.pdf>

Note 2: Calidus Resources PFS <https://www.investi.com.au/api/announcements/cai/330cac51-254.pdf>

Forward-Looking Statements

This release contains certain “forward looking statements” and certain “forward-looking information” as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of the Company to control or predict, that may cause the Company’s actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out here in, including but not limited to: the potential impact of epidemics, pandemics or other public health crises, including the current outbreak of the novel coronavirus known as COVID-19 on the Company’s business, operations and financial condition, the inherent risks involved in the general securities markets; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of cost estimates and the potential for unexpected costs and expenses, currency fluctuations; regulatory restrictions, liability, competition, loss of key employees and other related risks and uncertainties. The Company undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents managements’ best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.



1 Novo Resources Corp – NI 43-101 Technical Report: Mineral Resource Update, Beatons Creek Conglomerate Gold Project, Pilbara Region, Western Australia, 13th May 2019 - https://www.novoresources.com/_resources/presentations/technical-report.pdf