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CORPORATION

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Northern Graphite Completes Initial Closing of Private Placement for \$19.3 Million

February 10, 2022: Northern Graphite Corporation (**NGC:TSX-V, NGPHF:OTC Pink**) (the “Company” or “Northern”) is pleased to announce that it has completed an initial closing of the private placement (the “Private Placement”) being conducted in connection with the acquisition of the producing Lac des Iles graphite mine in Quebec and the Okanjande graphite deposit/Okorusu processing plant in Namibia from subsidiaries of Imerys Group (“Imerys”) for approximately US\$40 million (the “Transaction”) as previously announced on December 2, 2021.

Under the initial closing of the Private Placement, the Company has issued a total of 25,762,500 subscription receipts (the “Subscription Receipts”) at a price of \$0.75 each for aggregate gross proceeds of approximately \$19.3 million, through a syndicate of agents led by Sprott Capital Partners LP (the “Lead Agent”) and including Cormark Securities Inc., Canaccord Genuity Corp. and Tamesis Partners LLP (collectively with the Lead Agent, the “Agents”).

In connection with the initial closing, the Agents exercised their option in full to increase the 26,750,000 Subscription Receipt base size of the Private Placement by an additional 4,012,500 Subscription Receipts, for a total Private Placement of 30,762,500 Subscription Receipts. Affiliates of the Sprott Group have indicated their intention to purchase the remaining balance of 5,000,000 Subscription Receipts not issued in the initial closing, pending investment committee approvals for the Company’s previously announced debenture, royalty and streaming arrangements, for additional gross proceeds of \$3.75 million in a follow-on closing of the Private Placement.

The net proceeds from the Private Placement will be used by the Company to partially fund the purchase price for the Transaction. In addition, US\$3 million of the purchase price for the Transaction will be satisfied by issuing units to Imerys on the same terms and conditions as the Units (as defined below) issuable on exercise of the Subscription Receipts.

Each Subscription Receipt shall be deemed to be automatically exercised, without payment of any additional consideration and without further action on the part of the holder thereof, into one unit of Northern (a “Unit”) upon satisfaction of the Escrow Release Conditions (as defined below). Each Unit shall be comprised of one common share of Northern (a “Common Share”), and one-half of one share purchase warrant of Northern (each whole warrant, a “Warrant”). Each Warrant shall be exercisable to acquire one Common Share at a price of \$1.10 per Common Share for a period of 24 months from the date the Escrow Release Conditions are satisfied.

The gross proceeds of the initial closing of the Private Placement, less 50% of the Agents' cash commission (as described below) and certain expenses of the Agents, were deposited in escrow on closing to be held in escrow until the satisfaction of certain release conditions, including that all conditions precedent to the proposed Transaction have been met (the "Escrow Release Conditions").

In the event that the Escrow Release Conditions have not been satisfied on or before May 1, 2022, or the Company advises the Lead Agent or announces to the public that it does not intend to satisfy the Escrow Release Conditions or that the proposed Transaction has been terminated, the aggregate issue price of the Subscription Receipts (plus any interest earned thereon) will be returned to the applicable holders of the Subscription Receipts, and the Subscription Receipts will be automatically cancelled and be of no further force and effect.

The Subscription Receipts issued in the initial closing of the Private Placement and the underlying securities are subject to a Canadian securities law resale restriction period expiring June 11, 2022.

In connection with the initial closing of the Private Placement, the Agents received a cash fee equal to 6% of the aggregate gross proceeds of the closing, and such number of compensation warrants (the "Agent's Warrants") equal to 6% of the number of Subscription Receipts issued under the closing. Each Agent's Warrant is exercisable for one Common Share at an exercise price of \$0.75 per Common at any time on or before February 10, 2024.

The Private Placement remains subject to the final approval of the TSX Venture Exchange.

This press release does not constitute an offer to sell or solicitation of an offer to sell any of the securities in the United States. The securities being offered under the Private Placement have not been, and will not be registered, under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws of any state in the United States and accordingly may not be offered or sold within the United States or to any person in the United States or to U.S. persons unless registered under the 1933 Act and any applicable state securities laws, or exemption from such registration requirements is available.

About Northern Graphite

Northern Graphite is a Canadian company, listed on the TSX Venture Exchange, that is focussed on becoming a world leading producer of natural graphite and on the upgrade of mine concentrates into high value products critical to the green energy revolution including electric vehicles, lithium-ion batteries, fuel cells and graphene, as well as advanced industrial technologies.

For additional information

Please visit the Company's website at <http://www.northerngraphite.com/investors/presentation/>, the Company's profile on www.sedar.com, contact Gregory Bowes, CEO (613) 241-9959 or visit our **Social Channels**.



This news release contains certain "forward-looking statements" within the meaning of applicable Canadian securities laws. Forward-looking statements and information are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "potential", "possible" and other similar words, or statements that certain events or conditions "may", "will", "could", or "should" occur. Forward-looking statements in this release include statements regarding, among others: the Company's intentions to completion an additional closing of the Private Placement; the use of proceeds from the Private Placement; and the Company's intentions to complete the Transaction. All such forward-looking statements are based on assumptions and analyses made by management based on their experience and perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. However, these statements are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of other parties to perform as agreed; social or labour unrest; changes in commodity prices; unexpected failure or inadequacy of infrastructure and the failure of ongoing and contemplated studies to deliver anticipated results

or results that would justify and support continued studies, development or operations. Readers are cautioned not to place undue reliance on forward-looking information or statements.

Although the forward-looking statements contained in this news release are based on what management believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with them. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the Company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.