This presentation contains “forward-looking information” within the meaning of Canadian securities legislation. All information contained herein that is not clearly historical in nature may constitute forward-looking information. Generally, such forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking information is subject to known and unknown risks, uncertainties and other factors 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, including but not limited to: (i) volatile stock price; (ii) the general global markets and economic conditions; (iii) the possibility of write-downs and impairments; (iv) the risk associated with exploration, development and operations of mineral deposits; (v) the risk associated with establishing title to mineral properties and assets; (vi) the risks associated with entering into joint ventures; (vii) fluctuations in commodity prices; (viii) the risks associated with uninsurable risks arising during the course of exploration, development and production; (ix) competition faced by the resulting issuer in securing experienced personnel and financing; (x) access to adequate infrastructure to support mining, processing, development and exploration activities; (xi) the risks associated with changes in the mining regulatory regime governing the resulting issuer; (xii) the risks associated with the various environmental regulations the resulting issuer is subject to; (xiii) risks related to regulatory and permitting delays; (xiv) risks related to potential conflicts of interest; (xv) the reliance on key personnel; (xvi) liquidity risks; (xvii) the risk of potential dilution through the issue of common shares; (xviii) the Company does not anticipate declaring dividends in the near term; (xix) the risk of litigation; and (xx) risk management.

Forward-looking information is based on assumptions management believes to be reasonable at the time such statements are made, including but not limited to, continued exploration activities, no material adverse change in metal prices, exploration and development plans proceeding in accordance with plans and such plans achieving their stated expected outcomes, receipt of required regulatory approvals, and such other assumptions and factors as set out herein. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Such forward-looking information has been provided for the purpose of assisting investors in understanding the Company’s business, operations and exploration plans and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this press release, and the Company does not undertake to update such forward-looking information except in accordance with applicable securities laws.
ELECTROCHEMICAL PERFORMANCE TESTS
of Lac Knife Flake Spherical Graphite in Lithium-ion Batteries

Highlights

• Lac Knife SPG battery tests evaluated three proprietary formulations that responded very well to CR2016 coin cell performance testing
• Large, medium and fine micron size produced outstanding performance metrics
• Testing results on the premium medium and fine grades exceeded the performance of benchmark commercially available grades by significant percentages

Tests confirm Focus Graphite’s capability to tailor Li-ion battery anode grade graphite and value-added products to meet the most stringent customer specifications

“Focus Graphite Succeeds in Producing Extremely High-Performing Coated Spherical Graphite for Lithium-ion Batteries”

Independent Test Results announced May 27, 2014
LAC KNIFE PROJECT LOCATION
Lac Knife, Québec, Canada
WHAT IS NATURAL GRAPHITE?

- One of the most **versatile** non-metallic minerals
- One of two natural forms of **carbon**; the other is diamond
- Superior **electrical** and **thermal** conductivity
- Highest natural **strength** and **stiffness** of any material
- One of the **lightest** of all reinforcing agents
- Chemically inert with a high **resistance to corrosion**
- High natural **lubricity**
- Melting point: **3,650°C**
- Graphite is a **critical mineral in continual demand**

Graphite Occurs in 3 Natural Forms

<table>
<thead>
<tr>
<th>Form</th>
<th>C Purity</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amorphous</td>
<td>60-85%</td>
<td>Low purity, low price, low growth</td>
</tr>
<tr>
<td>Flake</td>
<td>&gt; 85%</td>
<td>Most desirable, greatest demand</td>
</tr>
<tr>
<td>Vein</td>
<td>&gt; 90%</td>
<td>Very niche applications, small market, flat growth</td>
</tr>
</tbody>
</table>
Graphite is predominantly used in refractory applications when refining steel; also used in automotive brakes, clutches, gaskets, and lubricants.

- Flake graphite is the most sought-after form of graphite; vital to top demand markets today and tomorrow.
- Future demand is being driven by green technologies including Li-ion Batteries, Fuel Cells, Electronics, Construction Materials, Nuclear, and the Graphene Revolution.
- Traditional industrial demand drivers are refractories, foils and batteries.
- There is 11 times more graphite than Lithium in a typical Li-ion battery.
- 20% annual growth in the Li-ion Battery Industry.
- 10%–30% annual growth in the Electric Vehicle Market.

**2020 Annual Demand**
- +1 million tonnes of additional graphite needed or 25 New 40,000t Mines.

Source: Industrial Minerals Data (2014)
ELECTRIC VEHICLE GRAPHITE CONSUMPTION

6,500+ tonnes of graphite was used by these 5 companies in 2013

<table>
<thead>
<tr>
<th>Brand</th>
<th>Battery</th>
<th>Graphite Used</th>
<th>Graphite Used</th>
<th>CARS SOLD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chevrolet</td>
<td>16.5 kWh</td>
<td>Volt 18kg</td>
<td>1.260 TONNES</td>
<td>70,000 CARS SOLD</td>
</tr>
<tr>
<td>BMW</td>
<td>19 kWh</td>
<td>i3 21kg</td>
<td>231 TONNES</td>
<td>11,000 CARS SOLD</td>
</tr>
<tr>
<td>Nissan</td>
<td>24 kWh</td>
<td>Leaf 27kg</td>
<td>2.552 TONNES</td>
<td>94,500 CARS SOLD</td>
</tr>
<tr>
<td>Toyota</td>
<td>4.4 kWh</td>
<td>Prius 5kg</td>
<td>243 TONNES</td>
<td>48,600 CARS SOLD</td>
</tr>
<tr>
<td>Toyota</td>
<td>41.8 kWh</td>
<td>RAV4 48kg</td>
<td>53 TONNES</td>
<td>1,107 CARS SOLD</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,600 ORDERS (2014)</td>
</tr>
<tr>
<td>Tesla</td>
<td>85 kWh</td>
<td>Model S 96kg</td>
<td>2,400 TONNES</td>
<td>25,000 CARS SOLD</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>40,000 ORDERS (2014)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,800 TONNES (PROJECTED 2014)</td>
</tr>
<tr>
<td>Gigafactory</td>
<td></td>
<td>96 kg per unit</td>
<td>500,000 UNITS ESTIMATED</td>
<td>500,000 UNITS ESTIMATED</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>40,000 TONNES PROJECTED</td>
<td>40,000 TONNES PROJECTED</td>
</tr>
</tbody>
</table>

Source: Industrial Minerals Data (2014)
SPHERICAL GRAPHITE (SPG)
Battery-Ready Product
SPHERICAL GRAPHITE (SPG)
Battery-Ready Product

- Decreases the surface area
- Allows more graphite into a smaller volume
- Creates a smaller, more efficient anode product for the battery

The three key categories of anode material:

Reversible Capacity (RC)
Energy storage in the battery (ranges from 345 Ah/kg to 355 Ah/kg)

Irreversible Capacity Loss (ICL)
Amount of lithium permanently stuck in the graphite, the objective is to get ICL % as low as possible (standard is 6% to 10% loss)

Surface Area
Minimal surface area (less than 2 m²/g)
BATTERY-READY GRAPHITE

Synthetic vs. Natural

Natural Graphite SPG Facts
Performs 10-20% better than Synthetic

- **USD$8,000 per tonne**
- Mining Flake Graphite Ore — Lac Knife, Québec
- Typical processing (crush, grind, flotation)
- Micronized & Spheronized (one step)
- Purification at low heat for minutes
- Carbon Coating
- Hydro-Québec Electricity for whole process
- Minimal to nil carbon footprint

Synthetic Graphite Facts
Graphitizing an Oil byproduct

- **USD$20,000 per tonne**
- Devolatilization: Vacuum Gas Oil 480°C
- Needle Coke (Green Coke Un-Calcined)
- Calcined: Remove traces of oil 1,350°C
- Micronized & Coated
- Graphitization @ 2,800°C for weeks
- Oil-Based Feedstock & Energy Intensive

Synthetic Graphite Conclusion
1. Larger Carbon Footprint
2. Production Costs > Double
3. Energy Intensive
4. Time Consuming
5. Not aligned with Green Energy applications

$2 million: the cost of a furnace to graphitize 1 tonne of synthetic graphite
Although the +65 mesh graphite concentrate is very high in carbon content, there are still some impurities present, which can be seen as white specs on the graphite flake surfaces and edges.
This SEM shows that essentially all of the white specs (impurities) were removed by thermal purification — low carbon footprint process — environmentally sustainable.
SCANNING ELECTRON MICROGRAPH (SEM) 99.98% Cg Uncoated Medium-Grade Purified Spherical Graphite

- SEM shows flake graphite has been successfully processed to produce spherical particles (SPG)
- SPG was coated with carbon to reduce the Specific Surface Area (SSA) to make it suitable for use in Lithium-ion Batteries
- Coating also has the effect of reducing reactivity with the electrolyte further reducing the irreversible capacity loss

SEM of 99.98% Cg Medium-Grade Uncoated Spherical Lac Knife Graphite
All electrochemical tests were run on CR2016 coin cells.

- Values of reversible capacity (RC) and irreversible capacity (ICL) at C/20 cycling were determined; the first cycle irreversible capacity loss was calculated by dividing the reversible capacity by the irreversible capacity.
- The electrolyte is 1.0M LiPF6 in FEC/EMC (30:70 vol%) for 8mm thick electrodes with a composition of 90 wt% graphite and 10 wt% supporting additives, including a PVDF-based binders.
SPG RESULTS OF CR2016 COIN CELLS
Electrochemical Tests on 3 Grades of Lithium-ion-Grade Graphite

- SPG battery test results have excellent performance metrics when compared to current benchmark commercial SPG grades
- Standard Carbon Coated Medium and Fine Grades of Lithium-ion-Grade Spherical Graphite are identified below
- Note the very high Reversible Capacities (RC) of 363.7 and 365.1 Ah/kg, and very low Irreversible Capacity Losses (ICL) of 1.44 and 1.01%
- Benchmark material has an ICL range of 6% to 10%; using 8% as an average, these two tests show a 82% to 87% decrease in ICL

<table>
<thead>
<tr>
<th>Focus Graphite Coin Cell Test Results</th>
<th>Reversible Capacity (Ah/kg)</th>
<th>Irreversible Capacity Loss (%)</th>
<th>Surface Area (m2/g)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Carbon Coated SPG Grade</td>
<td>362.1</td>
<td>6.80</td>
<td>0.64</td>
</tr>
<tr>
<td>(D90=42μm)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium Carbon Coated SPG Grade</td>
<td>363.7</td>
<td>1.44</td>
<td>0.48</td>
</tr>
<tr>
<td>(D50=24μm)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fine Carbon Coated SPG Grade</td>
<td>365.1</td>
<td>1.01</td>
<td>1.14</td>
</tr>
<tr>
<td>(D50=17μm)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Comparing Focus Graphite’s Natural SPG vs. Commercially Available Synthetic Graphite

<table>
<thead>
<tr>
<th>Focus Graphite’s Natural SPG vs. Synthetic SPG</th>
<th>Reversible Capacity (Ah/kg)</th>
<th>Irreversible Capacity Loss (%)</th>
<th>Surface Area (m²/g)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Carbon Coated SPG Grade (D₅₀=24μm)</td>
<td>363.7</td>
<td>1.44</td>
<td>0.48</td>
</tr>
<tr>
<td>Synthetic Carbon Coated SPG Grade (D₅₀=22μm)</td>
<td>330</td>
<td>9.00</td>
<td>1.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Focus Graphite’s Natural SPG vs. Synthetic SPG</th>
<th>Reversible Capacity (Ah/kg)</th>
<th>Irreversible Capacity Loss (%)</th>
<th>Surface Area (m²/g)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fine Carbon Coated SPG (D₅₀=17μm)</td>
<td>365.1</td>
<td>1.01</td>
<td>1.14</td>
</tr>
<tr>
<td>Fine Synthetic Carbon Coated SPG (D₅₀=16.5μm)</td>
<td>320</td>
<td>9.00</td>
<td>1.50</td>
</tr>
</tbody>
</table>
INITIAL GALVANOSTATIC CHARGE – DISCHARGE CURVES

Coarse Grade

Cell #703. CR2016, counter: Li; Graphite: Coarse Grade Surface Coated SPG; Rate: C/20; Electrolyte 1M LiPF6 in FEC/EMC (30:70 vol%)
INITIAL GALVANOSTATIC CHARGE – DISCHARGE CURVES

Medium Grade

Cell #736. CR2016, counter: Li; Graphite: Medium Grade Surface Coated SPG; Rate: C/20; Electrolyte 1M LiPF6 in FEC/EMC (30:70 vol%)
Cell #705. CR2016, counter: Li; Graphite: Fine Grade Surface Coated SPG; Rate: C/20; Electrolyte 1M LiPF6 in FEC/EMC (30:70 vol%)
ADDRESSING OEM SUPPLIERS’ NEEDS

Focus Graphite Competitive Advantages

- **Low carbon footprint:** Lac Knife natural flake graphite concentrate and spherical graphite will have a very low carbon footprint because both use low-cost hydro-electric power from Hydro-Québec.
- **Low-cost** benefits also a result of H-Q grid power.
- CR2016 coin-cell performance tests: 2 of 3 tests show an *85% reduction in Irreversible Capacity Loss* vs. existing commercial SPG benchmarks.
- 1 tonne of Lac Knife spherical graphite @ ~$8,000/tonne vs. synthetic graphite @ ~$20,000/tonne.
- Cost savings: $12,000/t x 48,000t = **$576M per year** for 500,000 units or **$1,152 per unit**.
- Synthetic Graphite is produced from petroleum coke and graphitized in an energy-intensive process; not at all aligned with ‘Green Energy’ initiatives.
- Focus Graphite production plants will be **ISO 9000 Certified**.
MANAGEMENT & TECHNICAL TEAM

More than 100 years of combined Graphite Mining, Processing and Value-Added Product Experience

- **Donald Baxter**, P.Eng., President and Chief Operating Officer — More than 20 years of mining experience, including operational experience in graphite mining and metallurgical flow sheet optimization

- **Judith Mazvihwa-MacLean**, CMA, MBA, MSc, BSc, Chief Financial Officer — Nearly two decades of experience in mineral exploration, mining, management, and corporate finance

- **Jeff Hussey**, P.Geo., BSc, Vice-President, Project Development — 30 years mining operation experience in open pit and underground mine operations, and more recently, as a mining project developer

- **Dr. Ann Lamontagne**, P.Eng., Environmental Director — More than 25 years experience in the environmental aspects of the mining industry including, mine closures

- **Dr. Benoit Lafrance**, P.Geo, MSc, BSc, Vice President, Exploration and QP — More than 12 years of experience in mineral exploration, scientific research and geological survey

- **Dr. Joseph Doninger**, MSc, BSc, Director of Manufacturing and Technology — Developer and co-developer of a number of U.S., European and Canadian patents related to carbon processing methodologies and processing equipment

- **George C. Hawley**, BSc (Chemistry), Senior Technical Advisor — International graphite expert, specializing in the development and marketing of graphite and value-added graphite products
BOARD OF DIRECTORS

Jeffrey York
Chairman of the Board
Chief Executive Officer of Farm Boy Inc. A graduate of Princeton University, Mr. York is the former President and Chief Executive Officer of Giant Tiger Stores Limited.

Gary Economo
Chief Executive Officer and Director
Distinguished business leadership career, serving as Chief Executive Officer for a number of public and private high technology companies during the last 30 years.

Chester Burtt
Director
President of Chester Burtt & Associates Ltd. (CBAL), a corporate and public affairs advisory firm, specializing in connecting private and public companies with domestic and international opportunities.

Francis Pomerleau
Director
Serves as Senior Vice President of Ontario & Western Canada at Pomerleau Inc. as well as President of Pomerleau Ontario. He served as Vice President of Construction of Pomerleau Inc.

Marc-André Bernier
Director
Mr. Bernier specializes in exploration geochemistry in support of regional and international mineral development initiatives. Mr. Bernier has directed or managed mining development projects in Canada, the Caribbean, Africa, and South America.
THANK YOU

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THE MOST ADVANCED BATTERY-GRADE GRAPHITE PROJECT IN NORTH AMERICA

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