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Next Graphite Announces Signing Farm Out Agreement

NEW YORK, NY / ACCESSWIRE / September 15, 2016 /Next Graphite, Inc. (OTC PINK: GPNE) ("Next Graphite," "GPNE" or the "Company"), a graphite exploration/development stage company in the African Republic of Namibia, is pleased to announce the signing of a Farm Out agreement (the Agreement) with CKR Carbon (CKR) for its Aukam graphite project. Under the terms of the Agreement Next Graphite will allow CKR to earn up to 63% interest in the License and the Project upon completion of (i) investing \$1.1 million in cash; or (ii) the completion of the plant and infrastructure set up; and (iii) government authorization to begin commercial operations. CKR has spent \$400,000 to date on the project.

The Farm Out agreement also specifies that CKR make quarterly payments for a total of \$180,000 (\$85,000 paid to date) during the Farm-Out period, which began on June 8, 2015 (on signing of the Joint Venture Agreement) and ends when CKR has earned up to 63%, as outlined above. Should the Farm-Out Period need to be extended beyond the time in which CKR has invested its \$1.1 million, Next will continue to be paid \$25,000 per Quarter [or pro-rata for a partial Quarter] until (i) the completion of the plant and infrastructure set up; and (ii) government authorization to begin commercial operations. In addition, in the case where the Farm-Out period is extended, and the revenue stream from graphite sales is less than \$100,000 per month, CKR will loan Next Graphite \$25,000 per quarter.

In the event any material is sold at any time, any realizable amount from net proceeds of sale of the material shall be distributed to the parties in the following proportions: 63% to CKR and 37% to Next. The JV currently has a Letter of Intent to supply up to 5,000 metric tonnes of graphitic material grading between 40 and 50% Cg (carbon as graphite) over the course of the next year (see Next Graphite News Release dated March 24, 2016).

"The signing of a comprehensive Farm Out agreement with our JV partner is an important step in defining our milestones for the next 12 months," said Cliff Bream, CEO of Next Graphite. "Our upcoming joint activities include a feasibility study to determine the extent of graphitic material we have underground, and continuing to add material to our stockpile, first for upcoming sales of pre-processed graphite and then for sale as processed graphite once our plant is up and running. We are entering a very active period in our project, and we are excited."

About Next Graphite, Inc.:

Next Graphite, Inc. is a development stage company targeting the growing global graphite production industry with the Company's Africa-based Aukam Graphite Project. The Aukam Graphite Mine was established in 1940 in the current Republic of Namibia and produced USD \$30 million of graphite at today's prices. The site is located on approximately 96,000 acres (34,082 hectares) in southern Namibia close to the port city of Luderitz and is

estimated to contain a significant amount of high grade, vein type graphitic material.

The property hosts three underground adits that were mined periodically between 1940 and 1974. Five dumps from the historical mining occur on the property and 73 samples from the lower three dumps were assayed and averaged 42% Cg. Next Graphite's joint venture has completed a bulk-sampling program at Aukam, and the joint venture has a letter of intent to sell the graphitic material produced during the program. Findings to date have reinforced Next's intent to put the historical mine back into production. The Company is working to transition from its current exploratory license to a full mining license and build a new graphite processing facility. Next's joint venture in Namibia maintains high safety and environmental standards and has a comprehensive strategy of social engagement.

For more information, please visit: www.nextgraphite.com.

Safe Harbor Statement:

This press release contains forward-looking statements made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward looking statements are based upon the current plans, estimates and projections of Next Graphite Inc.'s management and are subject to risks and uncertainties, which could cause actual results to differ from the forward looking statements. Such statements include, among others, those concerning market and industry segment growth and demand and acceptance of new and existing products; any projections of sales, earnings, revenue, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements regarding future economic conditions or performance; uncertainties related to conducting business in Africa, as well as all assumptions, expectations, predictions, intentions or beliefs about future events. Therefore, you should not place undue reliance on these forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements. Among others, could cause actual results to differ from those set forth in the forward-looking statements: business conditions in Africa, general economic conditions; geopolitical events and regulatory changes, availability of capital, the Company's ability to maintain its competitive position and dependence on key management. This press release does not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

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