



FOCUS GRAPHITE INC. ANNOUNCES THE SIGNING OF A LETTER OF INTENT WITH INVESTISSEMENT QUÉBEC TO SELL THE COMPANY'S 50% INTEREST IN THE KWYJIBO RARE EARTH ELEMENTS PROJECT, QUÉBEC

OTTAWA, ONTARIO, April 23, 2020 – Focus Graphite Inc. ("Focus" or the "Company") (TSX-V: **FMS**; OTCQX: **FCSMF**; FSE: **FKC**), an advanced exploration and mining company focused on the production of graphite concentrate, today announced that the Company has signed a letter of intent (LOI) with Investissement Québec to sell the Company's 50% interest in the Kwyjibo rare earth elements Project to Investissement Québec for the sum of C\$7,237,696.

The project, totalling 118 map-designated claims (CDC) and covering 6,391.90 ha, is located a few kilometres north of Manitou Lake, approximately 125 km northeast of Sept-Îles, in the Côte-Nord administrative district of Québec. The Kwyjibo claim block is also located 25 km east of the Québec North Shore and Labrador (QNSL) rail line and is accessible by air from float plane and helicopter bases located in or near Sept-Îles.

Gary Economo, Chief Executive Officer of Focus Graphite commented, "We are extremely pleased today to announce the signing of the letter of intent with Investissement Québec to sell Focus Graphite's 50% interest in the Kwyjibo Project. We believe the sale of this asset will unlock significant value to our shareholders and allow Focus Graphite to prioritize its resources on the remaining projects in our development pipeline."

"Investissement Québec's acquisition of Focus Graphite's stake in the Kwyjibo project opens the door to creating business opportunities in the global rare earths market while maintaining Québec ownership of the project. This financing initiative supports the government strategy of developing the territory where the project is located as well as the critical and strategic mineral sector," stated Guy LeBlanc, President and CEO of Investissement Québec.

The closing of the transaction is expected to occur on May 14, 2020 or on any other date agreed by the parties and is subject to the fulfilment of customary conditions.

About Focus Graphite

Focus Graphite Inc. is an advanced exploration and mining company with an objective of producing graphite concentrate at its wholly owned Lac Knife flake graphite deposit located 27 km south of Fermont, Québec. In a second stage, to meet Quebec stakeholder interests of transformation within the province

and to add shareholder value. Focus is evaluating the feasibility of producing value added graphite products including battery-grade spherical graphite.

Focus Graphite is a technology-oriented graphite mining development company with a vision for building long-term, sustainable shareholder value. Focus also holds a significant equity position in graphene applications developer Grafoid Inc.

For more information about Focus Graphite, please visit www.focusgraphite.com.

ABOUT INVESTISSEMENT QUÉBEC

Investissement Québec's mission is to play an active role in Québec's economic development by spurring business innovation, entrepreneurship and business acquisitions, as well as growth in investment and exports. Operating in all the province's administrative regions, the Corporation supports the creation and growth of businesses of all sizes with investments and customized financial solutions. It also assists businesses by providing consulting services and other support measures, including technological assistance available from its CRIQ business unit. In addition, through Investissement Québec International, the Corporation also prospects for foreign investment and assists businesses with export activities.

Neither 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.

Focus Graphite Investor Contact:

Scott Anderson

Investor Relations

(858) 229-7063

sanderson@nextcap-ir.com