

August 18, 2014



Next Graphite, Inc. Reports 1H 2014 Financial Results and Continues Graphite Grading in 2H 2014

GPNE Completes Phase 1 of Development and Reports Positive Findings in Phase 2 on its 125,000 Acre Property in Namibia, Africa

NEW YORK, NY and WINDHOEK, NAMIBIA/ ACCESSWIRE / August 18, 2014 /Next Graphite, Inc. (GPNE) ("Next Graphite", or the "Company"), a development stage company in Africa's Republic of Namibia targeting the growing global graphite production industry and market demand, today announced its second quarter and first half financial results for the period ended June 30, 2014. The Company also highlighted its milestones in the first half of the year and provided an update on subsequent events in July and August, 2014.

1H 2014 Milestones:

- **February 3, 2014** - 271,400 shares of Common Stock issued for gross proceeds of \$271,400 at a per share price of \$1.00 pursuant to a Subscription Agreement with an accredited investor.
- **March 14, 2014** - 550,000 shares of Common Stock issued for gross proceeds of \$550,000 at a per share price of \$1.00 pursuant to a Subscription Agreement with an accredited investor.
- **March 14, 2013** - Next Graphite pays option exercise balance of \$150,000 and acquires 90% of Namibian company Gazania which holds the Aukam Mine License.
- **March 31, 2014** - On a pro-forma basis and subsequent to the capital raising efforts noted above, the Company has \$66,467 in cash reserves vs. \$2,450 on December 31, 2013.
- **April 3, 2014** – Next Graphite exercises option and acquires Aukam Graphite Property.
- **April 23, 2014** – Company successfully transfers mining license to Next Graphite, Inc. Subsidiary from Namibian Mining Ministry.
- **May 27, 2014** - Graphite Investing News initiates coverage and following of Next Graphite, Inc.
- **June 4, 2014** - Next Graphite, Inc. and geology team provides preliminary results from Aukam graphite project.
- **June 17, 2014** - Next Graphite, Inc. initiates Phase 2 Exploration Program of Aukam Graphite Project.

- June 24, 2014- Next Graphite, Inc. appoints leading African geologist, Mulife Siyambango, as Country Manager.

"We are very pleased at the pace of development of our graphite mining project. Our plan is being well executed and is ahead of schedule," began Cliff Bream, CEO of Next Graphite, Inc. "Our Phase 1 findings exceeded our expectations in all categories; we found more vein lodes on our property and five of which graded an average of 49.2% graphite content. Through a bulk testing and screening program conducted on our approximate 180,000 ton mine heaps we discovered that the heaps contain more graphite bearing rock than previously estimated, and lastly, we confirmed both medium and large flake graphite which is in high-demand in our target markets. With our Phase 2 plan underway, we are witnessing similar preliminary results and we are pleased to report our Aukam mining asset might be of higher value than what we originally expected."

Three and Six Month Financial Results

As a development stage company, Next Graphite has yet to record revenues from its mineable areas on its Aukam Farm and mining locations. The Aukam property was periodically mined between 1940 and 1974 with record yield of 2,627 tons of graphite in a peak year of production, before ceasing operations in 1974 after a fire broke out in the lower access adit. Next Graphite is in an active testing and re-validation phase of its development cycle which includes; i) a bulk testing program designed to detect the graphitic content and levels of purity contained within its approximate 180,000 ton mine heaps on site, ii) an initial drilling program designed to intersect below surface graphite occurring between or within the nine graphite-bearing lodes on the Aukam property, iii) extensive product testing, validation and sampling of additional minerals on the Aukam property.

Next Graphite's direct and indirect operating expenses for the three and six month periods ended June 30, 2014 were \$296,663 and \$525,754. Net GAAP loss for the first half of the year was \$525,754. Based on 69,332,115 fully diluted shares outstanding, adjusted loss per share was 1 cent per share for the six month period ended June 30, 2014.

The Company's geological team preliminarily estimates the Aukam property to hold over four million tons of graphite bearing rock. Though the mine is currently non-operational, Next Graphite's phases of development are underway. The Company plans to re-launch mining production and on-site processing at the Aukam Graphite Property at an estimated cost of \$2,000,000. The completed mine is targeting between 2,000-5,000 tons of annual graphite production.

Subsequent Events

- July 9, 2014 - Next Graphite, Inc. began bulk screening for graphite of its 180,000 ton tailing heaps.

- July 16, 2014 – GPNE secured a yearly land lease for graphite exploration on Aukam Farm.

- July 24, 2014 - Next Graphite, Inc. confirmed high concentrations of graphitic lumps in its initial 50-ton screening of tailing heaps.

- August 5, 2014 - Next Graphite's graphite mining exploration approved at Public Hearing in Namibia.

About Next Graphite, Inc.:

Next Graphite, Inc. is a development stage company targeting the growing global graphite production industry with the Company's 125,000-acre Africa-based Aukam Graphite Property. The Aukam Graphite Mine was established in 1940 in the current Republic of Namibia, produced USD\$30 million of graphite at today's prices, and is estimated to hold over 4 million tons of natural, high-grade, large-flake, hydrothermal-sourced graphite reserves. Global graphite demand is being driven by the development of new markets for clean and efficient energy alternatives, smart grid infrastructure and military capabilities. Next Graphite has an immediately-available, surface-visible, estimated 180,000-ton stockpile, along with competitive projected mining and processing costs. The completion of GPNE's Aukam Graphite Mine re-launch and development activities is expected to result in a multi-million dollar inward investment into Namibia in 2014-2015

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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SOURCE: Next Graphite, Inc.