

FOR IMMEDIATE RELEASE

## **Saint Jean Carbon Enters into an Exclusive North American Agreement To Market and Sell Synthetic Graphite**

**January 22, 2014, Oakville, ON, Canada** – Saint Jean Carbon ("Saint Jean" or the "Company") (TSX-V: SJL) is pleased to announce that it has entered into an Exclusive Distribution Agreement with an arms-length party Miluo Xinxiang Carbon Products Co. Ltd. ("Miluo") of Miluo, Hunan China to market, distribute and sell a range of synthetic graphite products in the territory of Canada, the United States and Mexico. The Miluo agreement represents the first successful efforts of Minmet Carbons and Saint Jean.

Miluo has been an established synthetic graphite producer since 2004 and manufactures products using proprietary and patented graphitizing processes from a 215,000 square metre (2.3 million sq. ft.) state-of-the-art facility. The Company employs 260 people and produces a range of high purity synthetic products (ie. typically 95-99.9%C) for use in traditional industrial sectors such as steel manufacturing, smelting and foundries. Its products are also used in high tech sectors such as lithium-ion batteries, aerospace and the nuclear energy industry. The Company maintains an extensive research and development operation and markets to customers in Asia, Europe, and the Americas.

Paul Ogilvie CEO, Saint Jean Carbon stated: "We are pleased with the results of this new development. Our experience in the North American steel and foundry sectors has provided us with numerous requests for new and affordable supplies of synthetic graphite. Miluo represents an ideal source for these products. It is established, cost-effective, and actively seeking new customers and markets. As a result we think this agreement will create multiple synergies and opportunities to generate new revenues for both Saint Jean and Miluo".

Miluo prepares a primary synthetic graphite product through the graphitization of petroleum coke. This is combined with a coal-tar pitch binder and heated to temperatures of 2,600 - 3,000°C which transforms the mixture into crystalline graphite. In this process the materials can be extruded into multiple shapes or moulds for various industry applications. The synthetic graphite sector also includes companies that manufacture secondary synthetic graphite from materials recovered in the machining operations of graphite "electrodes". These electrodes are typically manufactured for use in steelmaking and provide significant scrap which is recycled into synthetic. Secondary synthetic graphite has lower crystallinity and lower purity than the primary synthetic product.

Miluo's graphite ranges in purity of 99.54%C<sub>g</sub> to a low of 99.16%C<sub>g</sub>. This is ideal for most of the synthetic graphite applications. The Company believes the material quality will compete well and is hopeful that customer sampling programs it expects to start this month will bring in steady new orders within the first quarter of 2014.

Paul Ogilvie further commented: "As we continue to build our revenue base for 2014 we believe synthetic graphite sales can make up a measurable part of our financial goals. While natural and synthetic graphite each have distinctive applications, there is also considerable customer overlap that will permit us to leverage our sales experience into both market segments. Accordingly, we are looking forward to working closely with Miluo as we pursue new customers that ultimately we will be selling both synthetic and natural graphite to in the future".

The agreement has been established for an initial term of five years with an option for two additional ten year periods. Under the agreement Saint Jean will sell a minimum of 1,800 metric tonnes during the first year, 5,000 tonnes the second year, and follow through with 10% increases in tonnage for each of the remaining years of the initial term.

### **About Miluo**

Miluo Xinxiang Carbon Products Company Limited was established in 1998. It is one of the branch companies of Zhen Xiang Carbon Group. The total assets for Zhenxiang Carbon Group is more than seventy million Yuan (\$12 million CDN) and the registration capital for Xinxiang Company is more than fifty million eight hundred thousand Yuan (\$9.2 million CDN). Miluo's factory is located in Miluo city and has already passed ISO9001 in 2008 and received credit grade AAA certification in 2006. Miluo has also received a Certification of New Hi-tech Enterprises

The Company's factory is licensed to do both import and export business. They supply all kinds of graphite products including carbon raisers, Graphitized petroleum coke, graphite electrodes, graphite powders, graphite blocks, machined hollow heating rods, gasifier components, heating element components, muffle tube, half round boats, large crucibles and shaped graphite products. Their core product is a high carbon, low sulphur and low nitrogen carbon raiser (a product made from calcined petroleum coke). The purity of fixed carbon is above 99.5%. The sulphur content can be under 0.02%. The content of Nitrogen is 100PPM max. Any sizes are available from 0-30mm. The Company's supply capacity is more than 30,000 tons per year. At present they export to India, Israel, Korea, South Africa, and North America. (<http://www.hnxxts.com>)

### **About Saint Jean Carbon**

Saint Jean Carbon is a publicly traded junior mining exploration company with a number of mining claims. The Walker graphite property consists of 4 claims covering the past mine and 11 claims covering interesting geological context for more graphite mineralization in the region around the deposit, which is located 40 km north-east of Ottawa. The Saint Jovite graphite property is located 8.5 km south-south-east of the village of Brebeuf in the Laurentian region is approximately 153 km northwest of Montreal. It consists of 4 claims. The Wallingford graphite property is located 10 km north of Buckingham village in the Central Metasedimentary Belt of the Grenville geological Province, some 182 km west of Montreal. It consists of two mining claims. The Mount Copeland molybdenum deposit lies within metamorphic rocks flanking the southern margin of Frenchman Cap Dome, 32 kilometers northwest of Revelstoke, British Columbia (the "Mount Copeland Property"). The Fort-Eden copper property is comprised of 18 mineral tenures that total 2,828.6 hectares in area. The mineral claims are located 100 km west of Fort St. James, BC (the "Fort Eden Property").

The Red Bird deposit is comprised of three zones of molybdenum concentration referred to as the Main, Southeast and Southwest zones within a property totaling 1,836 ha (4,400 acres) and is located 133 km southwest of Burns Lake and 105 km north of Bella Coala (the "Red Bird Property"). The Company plans to divest (the "Divestitures") each of the Mount Copeland Property, the Fort Eden Property and the Red Bird Property through a sale or joint venture, thus allowing it to focus on building a graphite mining company. Additionally, Saint Jean Carbon expects to acquire the new lump graphite property in Quebec (the "Clot Acquisition") and the previously announced new lump graphite properties in Sri Lanka from Han Tal Graphite (Pvt) Ltd. (the "Han Acquisition" and Clot Acquisitions, the "Acquisitions") in furtherance of its new focus.

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**FORWARD LOOKING STATEMENTS:** *This news release contains forward-looking statements, within the meaning of applicable securities legislation, concerning Saint Jean Carbon's business and affairs. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "intends" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" 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". Such forward-looking statements include those with respect to the closing of and the intended use of proceeds from the Offering, the Company's ability to complete Acquisitions, and become a graphite producing company.*

*These forward-looking statements are based on current expectations, and are naturally subject to uncertainty and changes in circumstances that may cause actual results to differ materially. The forward-looking statements in this news release assume, inter alia, the Use of Proceeds.*

*Although Saint Jean believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that these expectations will prove to be correct. There are risks which could affect Saint Jean's ability to complete the Offering, the proposed merger and the future results of the merged company which could cause actual results to differ materially from those expressed in these forward-looking statements including negotiation failure or delay, the impact of general global economic conditions and the risk that they will deteriorate, industry conditions, including fluctuations in the price of supplies and the risk that they will increase, that required consents and approvals from regulatory authorities will not be obtained, that activity in the lump or vein graphite business will not be at the level or of the nature anticipated, liabilities and risks inherent in Saint Jean's operations, technical problems, equipment failure and construction delay.*

*Statements of past performance should not be construed as an indication of future performance. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors, including those discussed above, could cause actual results to differ materially from the results discussed in the forward-looking statements. Any such forward-looking statements are expressly qualified in their entirety by this cautionary statement.*

*All of the forward-looking statements made in this press release are qualified by these cautionary statements. Readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking information is provided as of the date of this press release, and Saint Jean Carbon assumes no obligation to update or revise them to reflect new events or circumstances, except as may be required under applicable securities laws.*