

## Mason Graphite Director and Second Largest Shareholder Fahad Al-Tamimi Files Dissident Proxy Circular and Encourages Shareholders to Vote BLUE for Positive Change

- *Urges shareholders to vote his **BLUE** “universal” proxy in favour of a refreshed board comprised of six highly qualified, competent and committed nominees who will maximize value for **all** shareholders and to withhold on the election of the four management nominees*
- *Reminds shareholders that Mason Graphite’s shares have plummeted more than 90% in the past three years due to mismanagement*
- *For assistance voting, contact Kingsdale Advisors at 1-866-229-8651 or [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com)*
- *To keep current on further developments and for information about how to vote your shares, visit [www.ABetterMasonGraphite.com](http://www.ABetterMasonGraphite.com)*

Montreal, Québec, December 4, 2020 – Fahad Al-Tamimi (“**Mr. Al-Tamimi**” or the “**Concerned Shareholder**”), a director and the second largest shareholder of Mason Graphite Inc. (TSX.V: LLG) (“**Mason Graphite**” or the “**Company**”) holding approximately 9.92% of the outstanding shares, announces the filing and mailing of a dissident proxy circular in advance of the Company’s annual meeting of shareholders scheduled to be held at 10:00 a.m. (Montreal time) on Tuesday, December 29, 2020 to solicit proxies, on behalf of himself and a group of concerned shareholders, **FOR** the election of six highly qualified and competent director nominees (the “**Concerned Shareholder Nominees**”). The Concerned Shareholder Nominees are Messrs. Simon Marcotte, Tayfun Eldem, Nav Dhaliwal, Roy McDowall, Peter Damouni and Fahad Al-Tamimi.

Mr. Al-Tamimi is also soliciting proxies so shareholders **WITHHOLD** on the election of Messrs. Gilles Gingras, François Laurin, Guy Chamard and Gaston A. Morin (the “**Management Nominees**”), Mason Graphite’s incumbent directors.

In conjunction with the proxy filing, Mr. Al-Tamimi is mailing a letter to the Company’s shareholders in support of the Concerned Shareholder Nominees and their plan to turn the Company around and restore the value of shareholders’ investments.

The letter addresses the group of shareholders’ mounting concerns about Messrs. Gilles Gingras, François Laurin and Guy Chamard, some of Mason Graphite’s incumbent directors, and their obstructionist behaviour, which has led to an incredible decline in shareholder value in recent months. Among other things, the letter also spotlights:

- The Company’s extremely poor performance over the past three years;
- The vacant CEO position, which has remained unoccupied since February of 2020;
- The incumbent directors’ failure to propose a legitimate and viable business plan and to consider the Concerned Shareholder’s alternative plan for the Company; and
- The Management Nominees’ lack of a meaningful equity position in the Company, as evidenced by the fact they collectively hold only 0.6% of the Company’s outstanding shares.

## Concerned Shareholder Nominees: Each with a Track Record of Success in the Mining Industry

### ***Simon Marcotte***

- Chartered Financial Analyst with over 20 years of experience, including over 10 years in executive positions for mining companies with a focus on battery materials, mainly in the graphite and lithium sectors.
- Co-founded the Company in 2012 and was Vice President of Corporate Development until February 2018. Under his leadership, the Company was awarded the “TSX Venture Recognition as Top 10 Performing Stock” in 2013, the “Best 50 OTCQX” in 2016 and 2017 and was nominated for “Best Investors Relations” in both 2016 and 2017.
- Extensive business experience in Québec.

### ***Tayfun Eldem***

- Over 30 years of operations, business development and strategic leadership experience in the mining and minerals industry; currently Group Executive Vice President and Chief Operating Officer of Baffinland Iron Mines Corporation.
- Director of Mason Graphite from November 2012 to February 2016, including as Chairman of the Board from February 2013, until his resignation from the Board to pursue other interests. Under his leadership, the Company raised significant capital and successfully achieved several technical advancements and regulatory process milestones, setting the stage for an outstanding share performance.
- Extensive business experience in Québec.

### ***Nav Dhaliwal***

- High profile mining executive and capital markets expert.
- Founding CEO of Québec-based Bonterra Resources Inc., which made the award-winning Gladiator discovery in Québec.
- Founded several other successful companies in the resource sector, including Gatling Exploration Inc., Pacton Gold Inc. and Kanadario Gold Inc.

### ***Roy McDowall***

- Capital markets expert with over 25 years of experience.
- Currently a Senior Officer of Montreal-based Turquoise Hill Resources Inc., and previously held senior positions with Macquarie Capital Markets Canada, Credit Suisse Securities, CIBC World Markets Inc. and National Bank Financial Inc.
- Extensive business experience in Québec.

### ***Peter Damouni***

- Over 18 years of experience in investment banking and capital markets, with expertise in mining and oil and gas.
- Comprehensive experience in equity financing, restructuring, corporate valuations and advisory assignments.
- Director of several companies listed on the Toronto Stock Exchange and the TSX Venture Exchange.
- Extensive business experience in Québec.

***Fahad Al-Tamimi***

- Saudi-based businessman with global investment activities.
- President and CEO of SaudConsult, an engineering firm in Saudi Arabia responsible for many large infrastructure and construction projects in the country.
- Chairman and founder of Tamimi Trading and Contracting Co. Ltd.

**Your vote is important for the future of your investment in Mason Graphite**

Shareholders are encouraged to review the proxy materials and vote the **BLUE** “universal” form of proxy or **BLUE** voting instruction form **FOR** the Concerned Shareholder Nominees and **WITHHOLD** on the election of the Management Nominees.

Don't wait, voting is fast and easy – please vote well in advance of the proxy voting deadline of 5:00 p.m. (Montreal time) on Tuesday, December 22, 2020. If you have questions or need help voting, contact Kingsdale Advisors at 1-866-229-8651 or [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com).

Shareholders can view the proxy material and accompanying letter filed under Mason Graphite's profile on SEDAR at [www.sedar.com](http://www.sedar.com), or by visiting the Concerned Shareholder's website at [www.ABetterMasonGraphite.com](http://www.ABetterMasonGraphite.com).

A full copy of the letter to shareholders is set out below:

Dear Fellow Shareholders,

Over the past three years, the Board of Directors of Mason Graphite Inc. – our Company – has proven to be completely incapable of serving your best interests. Merely three years ago, the Company's outlook was extremely positive, as evidenced by the fact that its common shares were trading as high as \$3.00 per share. However, as a direct result of the actions of the current Board, that value has evaporated. In 2020, the Company's common shares traded as low as \$0.15 per share, representing a decline of 95% relative to its 2017 peak. Any assertion that this deterioration is due only to the COVID-19 pandemic and its aftermath is false – the Company's performance in 2020 is merely the epilogue of a long and tragic story that has been authored by the current Board.

In my brief time as a director, I have witnessed the shortcomings of our Company's Board and have come to realize first hand that immediate change is required to save our investment. Given industry trends in the battery material sector, now is the time to capitalize on the value of the Company's Lac Guéret Graphite Project. As the Company's second largest shareholder, with approximately 9.92% of the outstanding shares, I am fed up with the value destruction over the past three years – and I suspect that you are all just as disappointed and frustrated as I am. On October 29, 2020, I issued a news release on behalf of myself and a group of concerned shareholders announcing the nomination of six highly qualified and competent individuals to the Company's Board (you can read more about each of them on pages 17 to 23 of the accompanying information circular). In the days following this announcement, the Company's share price began to recover and traded as high as \$0.55 per share, evidence that investors believe in the changes that we are proposing and that, once elected, the newly reconstituted Board will be comprised of the right people to implement our action plan on an expedited basis. Under the right leadership, I am convinced that we can regain the type of valuation that our Company once carried.

We had expected that meaningful change would occur in February of 2020, when our group of shareholders began to question the competence and intentions of our Company's leadership. It was then that we made an initial friendly approach to the then-Chairman of the Board, who originally stated that he intended to work with our group of shareholders. Our approach resulted in the departure of the Company's then-President and CEO. However, it soon became clear that his departure would not be enough to facilitate real change, and that the Board did not have a genuine intention to constructively engage with our group of shareholders. In the months that followed, both Peter Damouni and I were appointed to the Board. Mr. Damouni and I agreed to join the Board, but we refused to be deterred from our goals. Since then, we have made several unsuccessful attempts to effect changes to the Board and the direction of our Company, including by appointing an additional independent director, namely Mr. Tayfun Eldem, a former Chairman of the Company under whom the Company performed exceptionally well, and recommending the appointment of Simon Marcotte as a director and the Company's next CEO. Unfortunately, we have learned that it is not possible to achieve constructive and meaningful change with only two out of six directors being experienced and fully committed to shareholders' best interests. We can only infer from the management nominees' behavior that their main interest is the long lasting payment of salaries and director fees while our Company continues to be in desperate need of a turnaround plan. Accordingly, it is now abundantly clear that the only way to save our Company is to install a new, competent, experienced and independent Board that is willing to put in the time and effort to enable the Company to reach its full potential.

Through your vote at the Company's upcoming shareholders' meeting, you will decide whether the Company will continue to be led by a stagnant Board proposed by management that has proven incapable of getting the job done. Your alternative is a new, independent Board that is aligned with your interests, with approximately 20x the share ownership of the four nominees being proposed by management, and directors who have the necessary commitment and experience and who are resolved to finally unlock and maximize our Company's true value.

As a fellow shareholder, I am sure that you are disappointed with the current trajectory of the Company. I am also confident that, after reading this information circular, you will be ready to support a better Mason Graphite. Consider the following:

The value of the Company's shares has been eviscerated over the past three years, as evidenced by a decline of more than 90% in the market price of the shares on the TSX Venture Exchange between November 1, 2017 and October 28, 2020, the day prior to the date on which I issued a news release announcing the nomination of the shareholder nominees and after which the share price slightly rebounded. Incredibly, the Company's market capitalization has been below its cash position for most of the year, which speaks volumes about the market's view of the management nominees' inability to create shareholder value. Any hope for a meaningful and sustained recovery is highly unlikely without much needed changes to the Board.

The Company has been lacking a permanent CEO since February of 2020 and the Board has been inexplicably apathetic about finding a permanent, qualified CEO to lead our Company. It is not a coincidence that the other directors only began to take action *after* learning that they could be replaced at the upcoming shareholders' meeting.

The Lac Guéret Graphite Project is one of the highest grade graphite deposits in the world. On the eve of the electric vehicle revolution, now is the time to capitalize on its potential. Other graphite companies have recently seen meaningful corporate advancement and a strong recovery in their share prices. For example, Nouveau Monde Graphite Inc., which is also based in Québec, has seen its share price increase by almost 5x in recent months. Our Company has experienced slight and temporary share price increases; however, I am convinced that these increases are primarily due to the market's expectation that our process will be successful and that our proposed Board will do what is in the best interests of all shareholders. Our Company will not be able to benefit from this exciting macro environment without the proper individuals at the helm.

In recent years, I have repeatedly offered to help the Company secure construction financing, both by investing more of my own money and by helping the Company to obtain debt financing from reputable banks on favourable terms. Each time, I was rebuffed by the former CEO and the Board. Had such construction financing been obtained, the Company's share price would not have declined nearly as much as it has, if at all. My actions to date are unequivocal evidence of my commitment to the Company and its shareholders, whom I view as my partners.

Each of my proposed nominees – Simon Marcotte, Peter Damouni, Tayfun Eldem, Roy McDowall and Nav Dhaliwal – has extensive experience doing business in Québec and a track record of success in the mining industry. Simon Marcotte and Tayfun Eldem in particular helped to lead the Company for several years and, under their leadership, the Company was awarded the "TSX Venture Recognition as Top 10 Performing Stock" in 2013 and the "Best 50 OTCQX" recognition in 2016 and 2017. Meanwhile, Gilles Gingras, François Laurin and Guy Chamard are directly responsible for the state of affairs in which the Company currently finds itself.

Gilles Gingras, François Laurin and Guy Chamard have failed to propose a legitimate alternative business plan, and seem to prefer to continue with the same failed strategy in the hopes of entrenching and benefiting themselves at the expense of the Company's shareholders.

Despite the fact that the Company has not made any meaningful progress whatsoever, due to the management nominees' mismanagement of the Company, its cash position has declined rapidly from approximately \$40.5 million as at June 30, 2018 to approximately \$32.0 million as at December 31, 2019 to approximately \$25.3 million as at September 30, 2020 – and this despite the fact that the Company had a capital injection of \$28.2 million from the sale of its 18.3% interest in NanoXplore Inc. in September of 2019.

In February and March of 2020, on behalf of other supporting shareholders, I presented the Board and management with a viable business plan, which was created in partnership with other key shareholders with knowledge of the graphite industry. The business plan would have helped to revive the Company's share price and make the Lac Guéret Graphite Project financeable and viable again. Unfortunately, this plan was ignored – instead, Gilles Gingras, François Laurin and Guy Chamard chose to stay the course with their failed strategy. I believe that the Company's current business plan, which is generally oriented on research and product development without adequate commercial ambitions and which ignores the fundamental shift that is occurring in the graphite industry, will not create shareholder value and is not what shareholders are looking for or why they are invested in the Company.

The management nominees have repeatedly refused to consider ways to maximize shareholder value in good faith, such as a potential transaction with a strategic partner, or have been unable to successfully capitalize on any such opportunity. Shareholders should not allow themselves to be tricked by the Company's October 28 news release disclosing that the Company has been pursuing discussions with potential strategic partners in the graphite industry. It is telling that the management nominees waited until their positions were at risk before providing any indication that they were interested in a strategic transaction. It is even more telling that the management nominees would seek out a significant transaction in the current contested context, in complete disregard of shareholder democracy. That said, such conduct is not entirely surprising given that the management nominees do not have a meaningful equity position in the Company, which means that their interests are completely misaligned with the interests of the Company's shareholders. Together, the management nominees own just 0.6% of Mason Graphite and three out of the four of them earned more than double the value of their Mason Graphite shares (as of December 1, 2020) in one year of board fees.

The troubling conduct exhibited by the management nominees, including the dissemination of materially misleading information in the Company's news release dated October 28, 2020, perfectly illustrates the need for directors that will be honest with shareholders rather than directors that will try to deceive them. Among other things, that news release failed to disclose the fact that half of the directors expressed a negative opinion about the business plan that was proposed at an October 22, 2020 Board meeting and neglected to inform shareholders that an alternative slate of director nominees had been validly submitted to the Company.

My primary goal is to maximize the value of the Company, in both the short and long term, for the benefit of all shareholders by ensuring that the Company has expert guidance and independent governance. I ask that you please read the accompanying information circular carefully and in its entirety. I am confident that you will reach the same conclusion that I have: It is time for the Company's shareholders to take their Company back and elect a new Board that will act to create value for all shareholders. It is time for a better Mason Graphite. I ask you to act in our shared best interests and complete the **BLUE** proxy to vote **FOR** the election of Simon Marcotte, Tayfun Eldem, Nav Dhaliwal, Roy McDowall, Peter Damouni and Fahad Al-Tamimi, and that you **WITHHOLD** on the election of Gilles Gingras, François Laurin, Guy Chamard and Gaston A. Morin. You will also receive a mailing from the Company recommending management's nominees; you do not need to take any action with that mailing and you should simply discard it.

Please refer to the instructions in the accompanying information circular and vote using the **BLUE** proxy no later than 5:00 p.m. (Montreal time) on December 22, 2020 – even if you have previously signed a form of proxy for management, you can revoke your earlier vote and support the shareholder nominees by submitting a new vote on the **BLUE** proxy. If you have any questions or need any assistance completing your **BLUE** proxy, please contact Kingsdale Advisors by: (a) telephone, toll-free in North America at 1-866-229-8651 or at 416-867-2272 outside of North America; or (b) e-mail to [contactus@kingsdaleadvisors.com](mailto:contactus@kingsdaleadvisors.com). Should you require any additional information, or if you would like to receive updates regarding this solicitation campaign, please visit [www.ABetterMasonGraphite.com](http://www.ABetterMasonGraphite.com).

Thank you for your consideration,  
Fahad Al-Tamimi

**Cautionary Statement Regarding Forward-Looking Statements**

This press release contains forward-looking statements. All statements contained in this filing that are not clearly historical in nature or that necessarily depend on future events are forward-looking, and the words “anticipate,” “believe,” “expect,” “estimate,” “plan,” and similar expressions are generally intended to identify forward-looking statements. These statements are based on current expectations of the Concerned Shareholder and currently available information. They are not guarantees of future performance, involve certain risks and uncertainties that are difficult to predict, and are based upon assumptions as to future events that may not prove to be accurate. The Concerned Shareholder does not assume any obligation to update any forward-looking statements contained in this press release, except as required by applicable law.

### **Information in Support of Public Broadcast Solicitation**

The Concerned Shareholder is relying on the exemption under section 9.2(4) of National Instrument 52-102 – *Continuous Disclosure Obligations* (in Québec, *Regulation 51-102 respecting Continuous Disclosure Obligations*) (“**NI 51-102**”) to make this public broadcast solicitation. The following information is provided in accordance with corporate and securities laws applicable to public broadcast solicitations. This solicitation is being made by Mr. Al-Tamimi, and not by or on behalf of the management of Mason Graphite. The address of Mason Graphite is 3030, Le Carrefour Blvd., Suite 600, Laval, Québec, H7T 2P5. The Concerned Shareholder has filed a proxy circular dated December 3, 2020 (the “**Dissident Circular**”) containing the information required by Form 51-102F5 – *Information Circular* under NI 51-102 in respect of his proposed nominees. The Dissident Circular is available on Mason Graphite’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and is also being mailed to the Mason Graphite shareholders along with the Concerned Shareholder’s other proxy related materials. Proxies for the Mason Graphite shareholders’ meeting may be solicited by mail, telephone, facsimile, email or other electronic means as well as by newspaper or other media advertising and in person by the Concerned Shareholder or any of his representatives and agents who will not be specifically remunerated therefor. In addition, the Concerned Shareholder may solicit proxies in reliance upon the public broadcast exemption to the solicitation requirements under applicable Canadian corporate and securities laws, conveyed by way of public broadcast, including press release, speech or publication, and by any other manner permitted under applicable Canadian laws. The Concerned Shareholder may engage the services of one or more agents and authorize other persons to assist it in soliciting proxies on his behalf and on behalf of any member of the group of concerned shareholders. The Concerned Shareholder has retained Kingsdale Advisors as strategic shareholder advisor and proxy solicitation agent to assist with the Concerned Shareholder’s solicitation and provide certain advisory and related services. Kingsdale’s responsibilities include advising on governance best practices, liaising with proxy advisory firms, developing and implementing shareholder communication and engagement strategies and advising with respect to the meeting and proxy protocol. The Concerned Shareholder will pay Kingsdale fees of up to \$100,000, plus related expenses. In addition, Kingsdale may be entitled to success fees on the successful completion of Mr. Al-Tamimi’s solicitation. All costs incurred for the solicitation will be borne by the Concerned Shareholder. A registered holder of common shares of Mason Graphite that gives a proxy may revoke it: (a) by completing and signing a valid proxy bearing a later date and returning it in accordance with the instructions contained in the form of proxy to be provided by the Concerned Shareholder, or as otherwise provided in the Dissident Circular, once made available to shareholders; (b) by depositing an instrument in writing executed by the shareholder or by the shareholder’s attorney authorized in writing, as the case may be: (i) at the registered office of Mason Graphite at any time up to and including the last business day preceding the day the meeting of Mason Graphite shareholders or any adjournment or postponement of the meeting is to be held, or (ii) with the

chairman of the meeting prior to its commencement on the day of the meeting or any adjournment or postponement of the meeting; or (c) in any other manner permitted by law. A non-registered holder of common shares of Mason Graphite will be entitled to revoke a form of proxy or voting instruction form given to an intermediary at any time by written notice to the intermediary in accordance with the instructions given to the non-registered holder by its intermediary. It should be noted that revocation of proxies or voting instructions by a non-registered holder can take several days or even longer to complete and, accordingly, any such revocation should be completed well in advance of the deadline prescribed in the form of proxy or voting instruction form to ensure it is given effect in respect of the meeting. To the knowledge of the Concerned Shareholder, neither the Concerned Shareholder, nor any of the Concerned Shareholder's nominees, nor any of their respective associates or affiliates, has: (i) any material interest, direct or indirect, in any transaction since the beginning of Mason Graphite's most recently completed financial year or in any proposed transaction that has materially affected or would materially affect Mason Graphite or any of its subsidiaries; or (ii) any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter currently known to be acted on at the upcoming meeting of the Mason Graphite shareholders, other than the election of directors.

#### **Advisors**

Kingsdale Advisors is acting as strategic shareholder and communications advisor and Davies Ward Phillips & Vineberg LLP is acting as legal advisor to Mr. Al-Tamimi.

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