

Grafoid Finalizes its Agreement to Acquire Advanced Technology Developer ALCERECO Inc., of Kingston, Ontario

Date : October 3, 2014

OTTAWA (October 3, 2014) — Grafoid Inc. is pleased to announce it has reached final agreement and closed its acquisition of ALCERECO Inc., a technology leader in advanced composite materials, alloys and coatings and a company focused on the development, testing and production of advanced materials.

Under the terms of Agreement, Grafoid purchased all of the issued and outstanding shares of ALCERECO from the shareholders of ALCERECO in exchange for 250,000 common shares of Grafoid at a price of US\$5.00 per share, for a total value of US\$1,250,000.

Based in Kingston, Ontario, ALCERECO provides independent technical expertise, contract research, analytical and testing services. It specializes in aluminum and other light metals working to enhance performance of lightweight materials that can efficiently deliver greater strength and functionality. ALCERECO's expertise and facilities are capable of developing innovative, scalable processes to bring Grafoid's advanced MesoGraf™-based materials to market.

Technology markets served by ALCERECO include, but are not limited to: aerospace, automotive, electronics, sporting goods, infrastructural and mining sectors.

ALCERECO's one-of-kind North American facility includes a five-ton foundry, casting, rolling, a wide range of material development laboratories, and analytical equipment for the development of prototype production.

"ALCERECO excels in creating new materials and products from concept through to production" Grafoid Co-founder and Chief Executive Officer Gary Economo said.

"This acquisition builds great value into Grafoid's vertically integrated business model. We now have the in-house engineering capabilities to take our graphene commercial developments to production," Mr. Economo said. "And, the addition of this vital downstream operational component enhances our competitive advantage as we move towards production."

"Grafoid's disruptive competitive advantage begins with its unique, one-step environmentally sustainable graphite ore-to-MesoGraf™ transformation process. It ends with the ability to bring our graphene materials and products to the broadest possible market," Mr. Economo said.

About ALCERECO Inc.

ALCERECO works with a diverse range of materials and processes. It has the knowledge and

tools to take on leading-edge projects including the development of Aluminum-Scandium alloys, rare earth oxides, and specialty ceramics. ALCERECO's particular focus is on materials that can deliver greater strength and functionality than traditional materials. ALCERECO's combined experience includes management positions in large chemicals and light metal companies, industrial research in metal and mining technology, successful new product commercialization, and designing and building new processing facilities.

About Grafoid Inc.

Grafoid Inc. is a privately held Canadian corporation investing in MesoGraf™ high-energy density graphene applications and economically scalable production processes for pristine bilayer and trilayer graphene and MesoGraf™ derivatives from raw, unprocessed, graphite ore. The company is engaged in the development of graphene patent joint ventures globally, in the areas of renewable energy, advanced polymer materials, biomedicine, thermal dispersion technologies, coatings and a number of classified material development projects. Focus Graphite, Inc. (TSX VENTURE:FMS)(OTCQX:FCSMF)(FRANKFURT:FKC) holds a significant interest in Grafoid on behalf of its shareholders.

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