

**ALABAMA GRAPHITE CORP.  
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**ALABAMA GRAPHITE TO CLARIFY TECHNICAL DISCLOSURE**

**Vancouver, Canada – February 18, 2013** – Alabama Graphite Corp. (“Alabama Graphite” or the “Company”) (CNSX: ALP) is issuing this news release to clarify disclosure relating to the Coosa Graphite Project in Alabama, USA (the “Coosa Project”) as a result of a review by the British Columbia Securities Commission.

The Company specifically refers to statements made in its corporate presentation titled “Alabama Graphite Company – A New Beginning for Graphite Production in the US” (the “Corporate Presentation”) (which was previously posted on the Company’s website) and also a Research Initiation Report dated January 24, 2013 published by Ubika Research (the “Ubika Report”) and the accompanying Ubika Research news release dated January 24, 2013 (the “Ubika News Release”).

Disclosure in the Company’s Corporate Presentation that the Coosa Project has an “extremely large, potentially a multi-decade resource” was restricted by Canadian regulations known as National Instrument 43-101 (“NI 43-101”) because no resource classification was determined, and non-compliant with NI 43-101 because no tonnes and grade were estimated at this time for any resource. The Company retracts prior disclosure implying that it has a resource estimate at the Coosa Project and advises readers not to rely on such statements as they may continue to be found in the public domain.

The Company retained Ubika Research to provide research and marketing support services to the Company, and Ubika prepared on its own initiative the Ubika Report, which was disseminated without the final authorization of the Company. Both the Ubika Report and Ubika News Release (collectively, the “Ubika Disclosure”) contained disclosure which was not compliant with, or otherwise may have triggered the filing of a technical report under, NI 43-101 and were not authored by a “qualified person” in accordance with NI 43-101. The Ubika Disclosure referred to tonnage and grade estimates at the Coosa Project without providing a resource classification and further disclosed a net asset valuation for the Coosa Project which includes assumptions about recovery rate, commodity price, taxes, capital costs and operating costs, which disclosure was non-compliant with NI 43-101 because it omitted certain mandatory cautionary language. The Ubika Disclosure also estimated the Company’s value on a per share basis, which is not permitted under the *Securities Act* (British Columbia). The Company regrets that the aforementioned disclosure was made by Ubika and it disassociates itself from the Ubika Disclosure.

The Company has not yet had a qualified person complete a resource estimate for the Coosa Project. As previously disclosed, the Company has commissioned Metal Mining Consultants, Inc. (formerly, Scott E. Wilson Consulting) (“MMC”) of Highlands Ranch, Colorado, to prepare a mineral resource estimate for the Coosa Project. The Company has to date received assay results on 27 of the 54 holes drilled in the grid. The first assay results from the sonic drill program were recently received by the Company (which results will be announced shortly). The Company is awaiting receipt of additional assay results and is to submit further samples for assay, and the Company anticipates MMC to be able to begin preparing the resource estimate within the next couple of months once all assay results are available.

The technical content of this news release has been reviewed and approved by Dana C. Durgin, a Qualified Person as defined by NI 43-101.

For further information, please contact:

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### **Forward looking information**

This release contains “forward-looking information” within the meaning of applicable Canadian securities legislation, including predictions, projections and forecasts. Forward-looking information include, but are not limited to, statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion, growth of the Company's businesses, operations, plans and with respect to exploration results, the timing and success of exploration activities generally, permitting time lines, government regulation of exploration and mining operations, environmental risks, title disputes or claims, limitations on insurance coverage, timing and possible outcome of any pending litigation and timing and results of future resource estimates or future economic studies.

Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “planning”, “planned”, “expects” or “looking forward”, “does not expect”, “continues”, “scheduled”, “estimates”, “forecasts”, “intends”, “potential”, “anticipates”, “does not anticipate” or “belief” or describes a “goal” or variation 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.

Forward-looking information is based on a number of material factors and assumptions, including, the result of drilling and exploration activities, that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other related services are available and perform as contracted. Forward-looking information involves known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of gold; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the company's publicly filed documents. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.